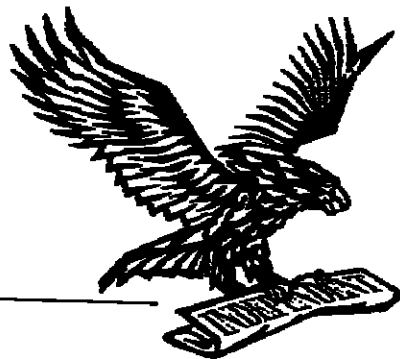


Pink champagne, knickers and the M&S miracle



Who'd be a policewoman? Sex and the force



Brenda Blethyn on centre stage at Cannes



Cybermonks surfing on the superhighway

Page 10

Section Two, cover story

Section Two, arts

Section Two, living

THE INDEPENDENT

2,992

WEDNESDAY 22 MAY 1996

WEATHER Dull and cloudy with showers 40p (IR 45p)

A great artist's advice: do not miss this Degas

Howard Hodgkin is arguably the greatest colourist of our times. His paintings instantly recognisable from their surface of brilliant, bold blobs, dots and curves, laid thick and bright on chunky blocks of wood. He is also, in the words of the Independent's chief art critic, Andrew Graham-Dixon, "a painter who does not see the art traditions of the past as a prison but as a home". Here he reflects on the new Degas exhibition which opens at the National Gallery, in London, today.

This extraordinary exhibition devoted to the works of Degas's last years shows us a new artist. Age set him free from so many preconceptions. It is now possible to see him evolve from being one of the great draughtsmen of all time into a painter who defies comparison within the 19th century and who has as much claim as Cézanne to be seen as one of the first modern artists.

The National Gallery's exhibition examines his later works with a relentless concentration almost amounting to tunnel vision. The intensity is moving and revealing in ways that are totally unexpected.

Rows of paintings and drawings of the same subject (borrowed from collections all over the world) show how, though Degas's art began with observation, it became very quickly almost totally self-sufficient. This may sound like egomania;

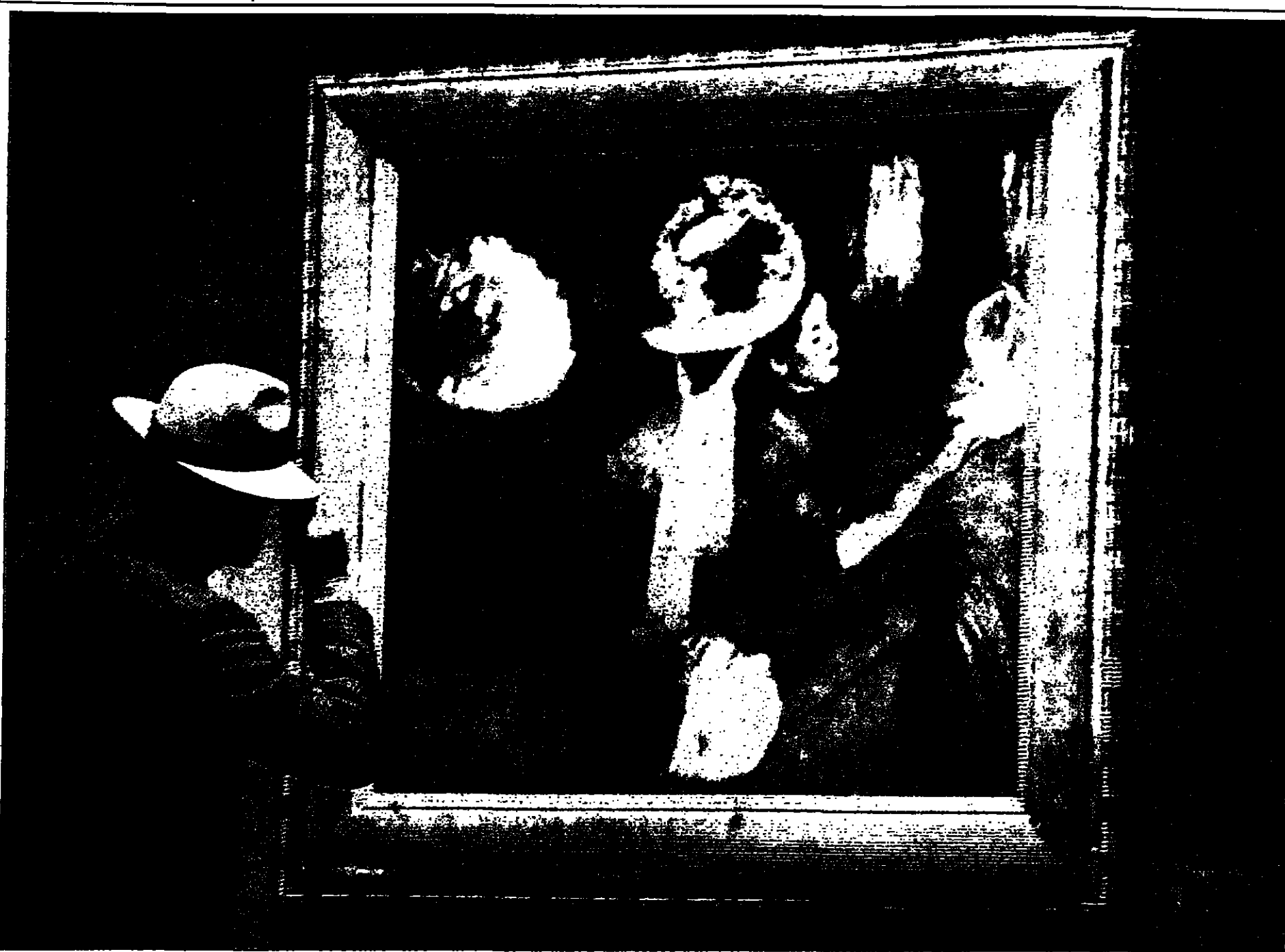
on the contrary, the more he forged his own language of painting, the nearer he came to an art of extreme expressiveness, only paralleled by the late works of Turner.

Among particular revelations here is the late pastel from Chicago, called simply "The Bathers" (c.1895-1905). This astonishing arrangement of modelled figures in a landscape is both flat and three-dimensional at the same time. It's the equivalent of the best relief sculpture which Degas never made. I would also single out the series of pastels of Russian dancers - they have an extraordinary polychromatic brilliance and an almost insane freedom of movement.

Don't let the hype that surrounded the Cézanne show at the Tate suggest that this exhibition is in any way second best. Many of the works on display at the National Gallery are physically very frail. We will never see them together again. And forget about Impressionism - that dread word hardly means anything any more. This is an unmissable show by a great painter.

Degas: Beyond Impressionism opens today at the National Gallery, London WC2, and runs until 26 August, 10am-6pm. For information, telephone: 0171-839 3321

Right: Degas's "The Millinery Shop", oil on canvas, c.1879-84



John Major does a Margaret Thatcher

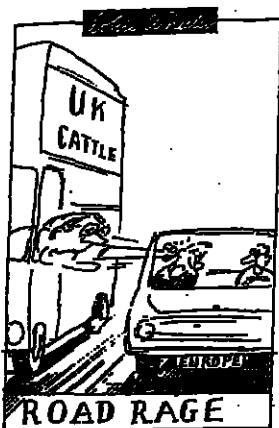
Angry PM threatens Europe with chaos until beef ban is lifted

DONALD MACINTYRE
Political Editor

John Major yesterday delighted Tory Euro-sceptics and set Britain on a collision course with her EU partners by announcing a programme - unprecedented even during the Thatcher years - of disrupting community business until the beef ban is lifted.

The British Government's patience with the ban finally ran out yesterday when ministers signed up to the Prime Minister's high-risk decision to embark on one of the most dramatic confrontations within the community since General de Gaulle operated the "empty chair" policy of boycotting meetings a generation ago.

The Government yesterday responded to the resounding defeat of its call for easing of the beef ban by serving notice that it would use its veto to block every decision it can unless the required majority of member



countries start allowing the export of British beef and beef products.

In a statement to the Commons in the wake of European vets' decision to reject the European Commission's call to lift the ban on tallow, gelatine and bull semen, Mr Major also announced that the Government

would begin an emergency action for rulings against the ban at the European Court of Justice.

If there is no change of heart over the next month by Britain's opponents and the European Court of Justice fails to rule in favour of Britain within the next month, the new policy is expected to block all further progress in the inter-governmental conference, and cause havoc at the European summit on 21-22 June. Mr Major told the Commons yesterday that, without progress he would ensure the summit "would be dominated by the beef issue".

The immediate effect will be to block two EU directives which require unanimous support - a convention on insolvency which is aimed to enforce cross-border co-operation in dealing with bankrupt companies and, more crucially, the setting up of "Europol", the embryo European police force.

The measures are easily the most draconian in any dispute between Britain and her European partners since Margaret Thatcher went to the brink over the UK funds rebate in the run-up to the Fontainebleau summit in 1985, although ministers rejected a full-scale boycott of EU meetings.

Announcing the measures yesterday, Mr Major told the Commons: "This is not how I like to do business within Europe." He added: "But I see no alternative. We cannot continue business as usual within Europe when we are faced with this clear disregard by some of our partners of reason, common-sense and Britain's national interests. We continue to want to make progress through negotiation. But if this is not possible, we are bound to use the legal avenues open to us and the political means we have at our disposal."

In a passing but withering reference to unnamed countries which he accused of a "breach of faith" the Prime Minister said that some countries had voted on Monday night to maintain the ban "despite prior assurances of support". Given that Germany, Austria and Greece have been consistent opponents, it looked as though Mr Major's remarks were directed at other opponents - with Spain and the Netherlands as the prime candidates. British officials expressed near-fury at Spain's denunciation yesterday of the British proposals and there were dark claims that the Dutch had been motivated by the desire to ensure their own semen industry flourished.

The strategy - which had been discussed in contingency form by ministers for several weeks - was finally confirmed after a frantic series of contacts between Mr Major and Cabinet ministers - starting with an 8am Strasbourg-Brussels-

Downing Street conference call from the Prime Minister to Malcolm Rifkind, the Foreign Secretary and the embattled and much-criticised Agriculture Minister, Douglas Hogg. Mr Hogg was still under fire from Tory backbenchers yesterday.

Mr Rifkind spoke again with Mr Major from Heathrow as soon as he arrived back from Strasbourg and drove straight to Downing Street for a face to face meeting with Mr Major.

The European Court of Justice action - which Mr Major said would take between two to six weeks - will concentrate on three aspects of the ban which government lawyers believe are illegal: the ban on tallow, gelatine and semen; the export of British beef to third countries outside the EU; and, once verification that all grass fed herds are BSE-free has been completed, the ban on beef from such specialist herds.

Comment, page 15

QUICKLY

GPs under fire
Stephen Dorrell yesterday announced wide-ranging changes to the NHS market as the Audit Commission delivered a fierce critique of GP fund-holding. Page 9

'Exquisite survivor'
"It is a fascinating oddity, an exquisite and maverick survivor. It is now under attack." Jonathan Glancey on the Royal Fine Art Commission, page 8



The Euro-sceptics' friend - for now

Yesterday was a momentous day for John Major and, perhaps, for the Conservative Party. He is whipping up a tempest which most of us think he lacks the magic to quell and which could, in time, engulf him.

The Prime Minister may think that he has produced a clever compromise between a real confrontation and a patriotic warning gesture. He has tried to calibrate his response, rejecting in private the most disruptive option, the so-called "empty chair" boycott of business used by de Gaulle in 1965-66, and also discarding the illegal option of withholding EU payments.

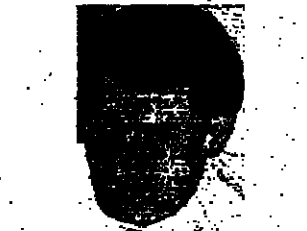
By working through the

European Court of Justice he is leaning on an institution many of his colleagues would like to undermine.

Pro-European ministers, notably the Chancellor, Kenneth Clarke, will have been comforting themselves with such thoughts.

One can almost hear them: "It could have been worse. It's rough stuff, but there's bluff mixed with the rough. After weeks of baying from the real anti-Europeans, we had to give some ground."

What such calculations leave out is the surrounding political dynamic. So far as a large section of the Conservative Party and the Tory press are



Andrew Marr

concerned, John Major has just cried "war".

There will be early skirmishes in that diplomatic war which will be undistinguished and unimportant - a directive on insolvency postponed here, a delay in the Europol plan there. The first real crunch will come

at the Florence summit in a month's time; if Britain effectively destroys that, then we are all set for a full-scale confrontation - and then, in due course, a Union Jack election.

For as long as these hostilities continue, Mr Major has made himself the *de facto* spokesman of the Tory Euro-sceptics. They will regard him with some suspicion. To them, the Prime Minister is half-leader, half-prisoner, and likely at any moment to rat.

If he does, they'll have him. But the greater danger for Britain is that he won't. The sheer, exhilarating momentum of the anti-European campaign in Britain is now likely to carry

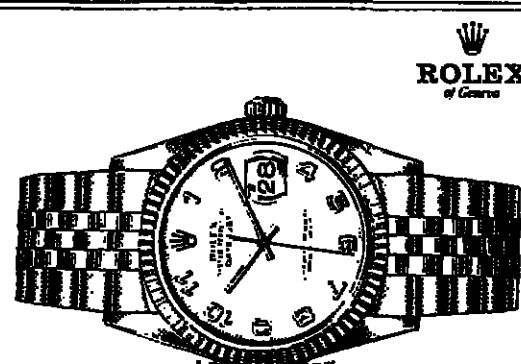
the Prime Minister even further. He may be in control of himself. But he is not in control of either his party or of the political agenda.

Having summoned, however half-heartedly, the dogs of war, it is a little difficult for him to change his mind and ask them politely to return to the kennel.

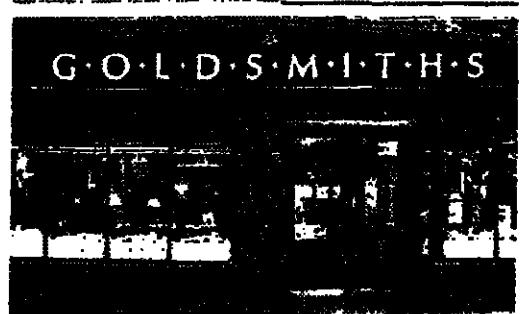
So from now on, the pressure to act and speak in an ever more jingoistic way for party political reasons will feel all-but-irresistible. Conservative Europeans who claim that things aren't so bad should look themselves in the mirror and admit as much. Whenever it comes, it's going to be an historic and bitter election.

CONTENTS

Section 1	Section 2
BUSINESS & CITY 19-23	CHESS 27
COMMENT 15,16	CROSSWORD 30
CROSSWORD 30	FINANCE 17,18
LEADING ARTICLES 15	LISTINGS 28,29
LETTERS 15	LIVING 4,5
PROFILE 17	MONEY 12-15
SHARES 23	TV & RADIO 31,32
SPORT 27-30	WEATHER 29



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news

Into battle for tallow, semen and St George

The roar went up. War! After all these weeks of simmering frustration, of error, of slights and of disaster, the Tory backbenches at last got what they wanted. Our old friend, The Knight of the Quite Sorrowful Countenance, would (after endless prevarication) lead them into battle against the perfidious European.

Back in the Shires rusty helmets were being burnished, flintlocks dug up and battle-flags stitched. The latterday army of British Torydom was being mobilised for action. Tapsell, Arnold, Falstaff, Nym, Bardolph, Atkins and Peto all raised standards stained with the blood of innocent British bulls. "For gelatine, tallow, semen and St George!" resounded through the chamber.



DAVID AARONOVITCH

The greatest roars were for Mr Major's condemnation of the continued ban as "a wilful disregard of Britain's interests and, in some cases, a breach of faith", and for his threat that unless progress on lifting the ban was made "we cannot be expected to continue to co-operate normally on other Community business". Older members reminded each other of those

other fateful prime ministerial words, culminating in "and therefore this country is now at war with Germany". A sense of history hung almost tangibly over the green baize.

But what would would the strategy be? Not balloons on the end of sticks again, surely? Or how about catapulting the carcasses of infected beasts over the ramparts of Brussels? Could it be (lips trembled) the empty chair?

Fainthearted Blair, arch-appealer of the Hun, asked typically picky questions which the boisterous patriots on the government benches almost drowned out. What exactly did the PM mean by non co-operation? Was he talking about non-attendance? Silent attendance? What? Yeoman news-

agent Nigel Evans (Ribble Valley) sat there shaking his head in disbelief at such preposterous queries. "Naïve!" he yelled.

As the treacherous Labourite pressed his questions - deploying a relentlessness unmitigated by changes in tone and unlightened by trace of humour - so the war party's anger mounted. They know - as no one else does - that this entire crisis was cooked up originally by the Labour Party, in cahoots with German cattle farmers, Spanish fishermen and Paraguayan ostrich ranchers.

But their anger turned to elation as their champion made the government's devilishly clever plan clear. The enemy will "not be able to agree any matters that require unanimity until this matter is resolved". The next inter-

governmental conference will be dominated by the issue of beef. The empty chair is too good for 'em. So every time some Tomas, Ricardo or Helmut says defence, or currency, or foreign policy - we will shout "beef!" We will shout it on the beaches, we will never give up. Britain is to fight the bore war.

And we are well-equipped to do it. One by one the enthusiastic soldiers stood to salute his boldness. Sir Peter Tapsell, tanned and smooth (like a conker with teeth), informed the PM that he was supported by "British people across the nation, who feel distaste that, at a moment of national crisis, the leaders of the Labour and Liberal Democrat parties should have proved themselves incapable of speaking for Britain!"

"The science is on our side," replied Mr Major. God will doubtless follow.

By now Tory MPs were hanging out the washing on the Siegfried Line, feeding on each others' moods - as though every member was turning an invisible handle connected to a clockwork mechanism in his or her neighbour. The cautious, like Edwin Currie, departed, leaving the jubilant hawks in sole possession. One of the latter summed it up. "This afternoon the Prime Minister has spoken for Britain!" Nine words from Nicholas Winterton that should strike terror into the heart of every thinking Conservative. In the words of Wellington, I do not know what these men will do to the Europeans, but by God, they frighten me.

Backlash widens Brussels rift

European Union officials predict Britain's policy of disruption will be counter-productive

SARAH HELM
Brussels

The vehemence of Britain's counter-attack in the beef row caught Brussels by surprise, but most officials and diplomats predicted that the policy of disruption would be "counter-productive".

Several EU diplomats described Mr Major's statement as a product of "domestic politics", which had little to do with Europe. However, no one in Brussels was in any doubt that the threats could cause serious disruption to business. "This will simply lead to Britain's further alienation in Europe," said a Spanish official.

The European Commission refused to be drawn into the political maelstrom, putting out a bland statement saying it would continue to work for a progressive lifting of the beef ban.

The Commission has been an unlikely ally for Britain in recent days, as it was the Commission which proposed the lifting of the ban for gelatine, tallow and semen, only to be over-ruled by member states on Monday night. The Commission's new conciliatory approach may reflect uncertainty within the institution about whether the ban is based on firm legal grounds.

In its statement, the Commission reaffirmed that the ban should not be seen as an anti-UK measure. "The BSE problem affects not only the UK but all member states as is evidenced by the serious decline of beef market prices throughout the [European] Union. It is therefore a problem for the whole of the European Union



Banned: As Europe refuses concessions on British beef, the Government's response is vehement. Photograph: Ian Walde

and a solution can only be achieved through the proper functioning of the Union's institutions and procedures which is in all member states' interest to safeguard," said the statement.

French officials stressed that any "violent political reaction" from Britain would not be helpful. France supported the proposal to ease the ban on Monday night, and French officials pointed out yesterday that at one point the vote was very close to being passed.

When the proposal goes next before a meeting of agriculture ministers on 3-4 June, only a

simple majority of eight countries is necessary to agree it. On the basis of the country line-up on Monday, Britain could have hoped for such a simple majority, but in view of the new threats from London many member states may now harden their position, officials in Brussels predicted. "It is a great pity that Britain has reacted like this. We were close to getting this through," said one French diplomat. "We did all we could to win the vote."

France's role in the Monday meeting, however, is viewed with some suspicion in London. The Government clearly be-

lieves that France could have done more to produce a majority, but was unwilling to alienate Germany, which was leading the "no" voters.

Germany looks certain to be unmoved by the British threats. Helmut Kohl, the German Chancellor, has refused to make any concessions on easing the ban so far. Austria has followed the German lead, as did Belgium and Luxembourg on Monday. Spain, which also opposed the easing, along with the Netherlands, looks unlikely to change its mind as a result of British threats.

Spanish officials described

Mr Major's statement in the Commons as "very strong". Spanish officials concede that Madrid might have led Britain to believe that it would back the proposal to ease the ban on Monday, by making strong expressions of support in the run-up. However, the eradication proposals presented at the meeting were simply not acceptable to Spain.

While voicing concern about the British retaliatory measures, several officials in Brussels pointed out that member states have long been used to British non-cooperation.

Leading article, page 15

Abattoirs profit as farmers scramble for cash

PAUL FIELD

Allegations that agents acting for abattoirs are buying cattle over 30 months at auction to boost their profits yesterday added to the huge logistical problems facing the Government slaughter scheme.

The Intervention Board, overseeing the cull to try to eradicate BSE, admitted the scheme was open to abuse.

Auctioneers and farmers told the Independent that cattle over 30 months, which should go direct to collection centres for slaughter, are being bought at market by agents on behalf of abattoirs. Around 500 such cattle were expected to go to auction in Carlisle today.

Guy Fargether, of the Farmers Union of Wales, where only two abattoirs are participating in the cull, said: "The situation is inevitable. Farmers need to clear their backlog. It is easier for them to go to market where middlemen will buy to fulfil the commission they have put in for, but they are not getting as much as they would with compensation."

An auctioneer said: "The abattoirs are already getting paid for carry out the slaughter and are making more money on top at the expense of the desperate farmers."

Gavin Strang, Labour's agriculture spokesman, raised the issue in the Commons, claiming some abattoirs were refusing to take cattle over 30 months, thereby forcing farmers to sell them at auction. But a Ministry of Agriculture spokesman said: "We cannot see the problem. It is up to the farmer."

It also emerged yesterday that three abattoirs have pulled out of the scheme following pressure from retailers refusing to take beef from slaughter houses also culling cows. Two abattoirs have joined forces so that one takes one cull business and the other the retail trade.

Ministers hope to dispose of about 22,000 cattle a week, but since the scheme began on 3 May only 38,542 have been slaughtered. The breakdown is 15,973 in England, 809 in Wales, 7,925 in Scotland and 3,882 in Northern Ireland.

About 15,000 dairy cows at the end of their productive life are to be taken out of the food chain, as well as several hundred thousand prime beef cattle over 30 months old. There is also a backlog of 120,000 cull cows.

The number of abattoirs taking part in the slaughter is to rise from 21 to 41 on Monday, although the move has been criticised by some slaughter houses already involved who claim their weekly quotas will be reduced, slashing their income.

Meanwhile, the battle between the Government and sections of the beef industry intensified yesterday after exporters confirmed they were taking legal action against the Ministry of Agriculture, claiming the compensation package for the beef industry is discriminatory.

The International Meat Trade Association, representing the exporters, is hoping to secure leave to seek a judicial review later this week. The export industry, worth £520m a year, came to a standstill after the worldwide ban on British beef at the end of March. IMTA is calling for a one-off payment of £18m to cover stocks of beef which have been unsaleable as a result of the ban.

SIGNIFICANT SHORTS

Ozone smogs in summertime should be eliminated by the year 2005, environment ministers from eight European nations meeting in London agreed yesterday. Last summer Britain had smog episodes on 15 days while Belgium, across the North Sea, had them on 32.

The lung-irritating pollution, which can give asthmatics severe discomfort, is caused mainly by traffic fumes and emissions from industry and power stations. To hit the newly-announced target, emissions will have to be curbed by 60 per cent or more.

"It's an ambitious one but it shows we mean business," said John Gummer, the Environment Secretary, who chaired the two-day meeting aimed mainly at giving political momentum to international negotiations on cross-border air pollution, which is where the most important decisions on curbing smog will be taken.

The eight countries from North West Europe, including Germany and France, agreed to exchange information on how traffic curbs can reduce smogs, and draw up common health warnings for the public when high pollution levels are forecast. Being close together, they share both pollution and smogs. Nicholas Schoon

Private jails are morally unacceptable and a Labour government will halt prison privatisation, Jack Straw, the Shadow Home Secretary, said yesterday. But he conceded that Labour would honour existing deals with the private companies which will be running about eight jails by the time of the election. Some contracts are for 25 years.

Mr Straw told the Prison Officers Association conference in Portsmouth: "I consider it morally unacceptable for the private sector to undertake the incarceration of those whom the state has decided need to be imprisoned for the protection of society. There are few more fundamental aspects of the role of the state. Almost all people believe that this is one area where a 'free market' does not exist."

He admitted, however, that Labour would have "severe difficulties" in reversing the 13 per cent cuts in prison budgets. And with an ever-spiralling prison population, probation officers and penal reform groups suggested that unless Mr Straw also pledged to reverse the Home Secretary's "prison works" centred criminal justice policy, he will be unable to tackle the current prison crisis. Heather Mills

Women who smoke beyond 32 weeks of pregnancy are almost 50 per cent more likely than non-smokers to have a baby with breathing problems. A study of more than 14,000 mothers in Bristol found that if a woman smokes at 18-20 weeks of pregnancy the baby is 40 per cent more likely to have a baby that wheezes in its first six months of life, but by 32-34 weeks the likelihood increased to 47 per cent.

Dr John Henderson, the consultant senior lecturer at Bristol University's Institute of Child Health, said: "There is a clear message that the risk increases progressively through the first trimester and the second trimester to the end of pregnancy."

Smoking during pregnancy has also been shown to increase the risk of miscarriage and stillbirth and babies of smokers are likely to be underweight. They are twice as likely to be born premature and have more chance of asthma, glue ear and chest infections. Glenda Cooper

Plans for an electronic zoo and a centre celebrating the 20th century's discovery of genetic codes yesterday won £68m of funding from the Millennium Commission. Bristol 2000 was awarded £41m, half the cost of an electronic archive of endangered species on a 10-acre site at the city's Harbourside. Jonathan Welfare, the project's chief executive, said: "So many species disappear each year that we need to capture them in any form we can."

Newcastle will build a £54m International Centre For Life near the city's Central railway station, with £27m of funding from the commission. The site will include a visitor centre with information about DNA and genetics, a bioscience village and the University of Newcastle's genetics department.

The Millennium Commission is funded from the National Lottery and chaired by Virginia Bottomley, the National Heritage Secretary. Yesterday's grants are its first major award to science projects. Charles Arthur

A personality disorder prevents Sara Thornton giving evidence at her murder trial, her defence counsel said yesterday. Michael Mansfield QC told Oxford Crown Court that Mrs Thornton has a condition called dissociation and that if she gave evidence the hearing could become "some sort of psychiatric laboratory".

Mrs Thornton, 41, denies murdering her husband Malcolm at their home in Atherstone, Warwickshire, in 1989. It is the second time she has been tried for the killing after the Appeal Court ordered a retrial. She says she stabbed him accidentally after a row and that he was an alcoholic who beat her up. The prosecution alleges that she is a pathological liar who killed him because she was worried about losing her share in their house.

"The main issue is what was in her mind when the knife entered fatally, as it turned out, the body of her husband," Mr Mansfield said in his opening speech. He said the jury would also have to consider whether Mrs Thornton had been provoked and whether she was suffering from diminished responsibility. The trial continues. Will Bennett

Gangsters from Russia and other eastern European countries are developing links with British criminals and using the UK banking system and property market to launder money, leading crimefighters confirmed yesterday. Some have brought their families to Britain and enrolled their children in private schools.

Intelligence experts from around the world discussed the growing threat yesterday at a London conference hosted by the National Criminal Intelligence Service. Last year UK detectives received around 200 reports of suspected money-laundering with eastern European links, and regional crime squads are investigating seven cases of money-laundering and fraud, two of them involving more than £50m.

John Hamilton, NCIS's director of intelligence, confirmed that eastern Europeans had made contact with British criminals, some of whom had travelled to Russia to impart their expertise. Jason Bennett

Television watchdogs took a hard line on violence screened soon after the watershed when they issued a formal warning yesterday to Yorkshire TV over graphic violence and rape in the Lynda La Plante series *The Governor* earlier this year. Channel 4 was also issued with a formal Independent Television Commission warning, its third, for repeated swearing in Chris Evans's youth show *T4 Friday*. Scenes showing *The Governor* female lead Janet McTeer apparently held hostage, tortured and threatened with rape were shown at 9.05pm. Yorkshire TV made no comment after the reprimand. The ITC said they considered fining Channel 4 because of swearing on Chris Evans's show but the station had apologised, explained the circumstances and taken steps to prevent further breaches. P4

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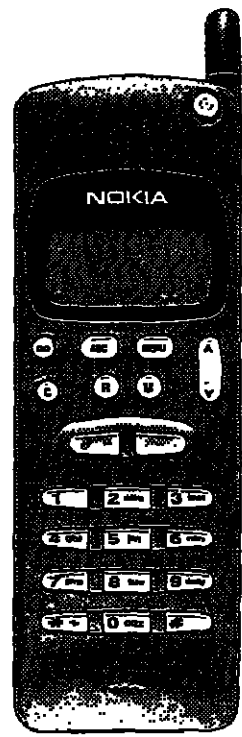
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M & S turns trust into £1bn profit

The nation's favourite retailer turns an old formula into new successes

NIGEL COPE

Marks & Spencer confirmed its position as the Rolls-Royce of the British high street yesterday when it reported a strong increase in its profits together with a bullish statement on consumer confidence which hinted at the return of the elusive "feel-good factor".

Coming from Britain's largest retailer, the comments add weight to recent upbeat figures from the British Retail Consortium. These show sales increases in most areas apart from footwear and fashion.

Reporting profits of almost £1bn for last year, M&S chairman, Sir Richard Greenbury, said that trading was good in both food and clothing and that a surge in home furnishings sales suggested a recovery in the housing market might be around the corner.

"There is every sign the consumer is coming out of the trenches. It's not a boom but it is looking a lot better. Does the consumer have just that little bit of extra money? The figures suggest they have," he said.

The typically steady performance also underlined M & S's pre-eminent position as the dominant force in UK retailing. While many other high street names have stumbled during the recession, "Marks and Spencers" has marched on relentlessly leaving others to ponder the secret of its success.

John Richards, retail analyst with stockbrokers NatWest Securities says the key M&S asset is the name above the door: "It is the strongest brand name in the UK. Everyone loves it and trusts it. That's why when you get a BSE scare, Marks & Spencer's sale goes up. People think, 'well I'm not going to catch BSE from M&S'."

Richard Hyman, of retail consultants Verdict Research, said: "The secret of their success is in the execution. You can see the company's strengths as soon as you walk through the door." He says the key elements are an obsession with quality, terrific staff, a draconian attitude towards costs and good, long term relationships with its suppliers.

To many, however, M&S remains an enigma. Even after the design boom of the 1980s which transformed store design, its stores remain plain and bare. It introduced changing rooms only recently. And the stores do not have customer laboratories.

There are still many items it does not sell, such as sporting goods. For a long while it did not even sell basic, commodity foods such as milk and sugar as it only wanted to offer goods it felt it could improve upon.

But while the fortunes of rival retailers ebb and flow, M&S remains a constant in a changing world. "It is trust and reliability," Mr Hyman says. "You know what you're buying."

The company's legendary returns policy is one reassuring factor to the uncertain purchaser, with or without a receipt.

In an age when downsizing is the fashion, it retains an old-fashioned regard for the quality of its staff which are cosseted with high wages, a non-contributory pension scheme, as well as subsidised meals and regular visits from the company's

dentist and chiropodists. The staff received a 4.5 per cent pay rise yesterday. At £6 an hour they are the highest earners on the high street.

Marks & Spencer has also managed to avoid the problems that have afflicted so many business dynasties such as Forte, Gucci and even Sainsbury.

Founded in 1894 in Leeds by Michael Marks, Marks & Spencer has always had a strong family presence. Even as recently as 1984 a direct descendant, Lord Sieff, was chairman.

But the family has gradually taken a back seat in the running of the company as it has grown into a £1.2bn giant with stores across the world.

There are still two family members on the board but not in key positions and they are not tipped for the top jobs. There are hardly any family members in lower positions that could one day take over.

One analyst says: "It was never the kind of family that tried to keep all the power within a close knit group. It did not bar outsiders."

But such is the strength of the rather middle class M&S culture, that once people join, they rarely leave.

The current chairman, Sir Richard Greenbury, has never worked anywhere else, joining in 1953 as a management trainee. Most of his fellow directors also worked their way up from the training schemes. Deputy chairman Keith Oates is a rarity in that he was brought in from outside, but that was 11 years ago. As Mr Hyman, of Verdict, says: "Most of the top management have been here so long that in many ways they are family."

The company has often been criticised for being conservative and slow to adapt to new trends such as electronic till systems. But when it makes a decision, it usually makes the right one and then acts rapidly.

M&S is now a leader in retail technology. It does not go in for the rapid expansion that has caused such problems for other retailers such as Ratners, Storehouse and Burton.






It has successfully diversified too. From simply clothing and foods, M&S now offers home furnishings and financial services such as pensions and life assurance. Again, it is not a leader but is carefully using the strength of its brands to sell other services. It has expanded outside its home territory and has stores in Europe, the Far East and the United States.

Its overseas mistakes have been committed in North America. The Canadian business makes a loss due to the historic high rents, and the takeover of the Brooks Brothers department stores in the US during the 1980s proved a costly disaster. Again under new management it is only now starting to produce a decent return. Chastened by its experience, M&S is unlikely to conduct another major takeover in the foreseeable future.

Perhaps the greatest tribute to the M&S management is that it is rarely has to react to events. It leads rather than follows. As Mr Richards, of NatWest, says: "It is always in control."

From shirts to champagne: bestsellers that spark the profits for Marks

by Ben Sammons

Top seller: food	Top seller: drink	Top seller: menswear	Top seller: womenswear	Top seller: houseware
				
PRICE £1.19	£12.99 to £18.99	£12	£25	£12
SALES HISTORY What began as a simple sandwich in brown or white bread has flourished through the ready-made sandwich boom of the 1990s. The prawn mayonnaise remains a favourite among the 70 varieties of M&S sandwich.	M&S have been selling champagne for nearly 20 years, but sales have taken off over the last two or three years. They are now one of the largest, if not the largest, champagne importers in the UK.	The M&S polo shirt has been running for many years, although each year the design details are re-assessed and the colour range adjusted for the season.	New this season, a new fabric combined with a classic shape put the shirt on the cover of Vogue. Stock went fast and is almost sold out.	The stainless steel range was introduced last year, and the lemon squeezer was added in the spring range in February, since when stock has sold out quickly.
EXPERT'S VIEW "They really are delicious. M&S sandwiches are always reassuringly damp. Although the chicken tikka really put them on the map, the prawn mayonnaise is an old favourite." - Simon Hopkinson, Food writer.	"M&S champagne is generally very drinkable, and good value. The Oudinot was popular in our tastings recently. £25.99 for a magnum of this champagne is not bad at all; M&S Oudinot did well in a category with other champagnes costing twice as much." - Rowena Medlow, Tastings Coordinator, Decanter magazine.	"These sorts of clothes are a fashion staple, rather like Levi 501s. M&S has a good wide range of colours. People tend to re-stock with them each year partly because of the colour range, but also because they are quite good value." - John Morgan, Associate Editor of GQ.	"Shantung was the big story this season. The M&S polyester version is actually easier to wear than regular silk, as it doesn't crease easily, and you don't have to iron it. The only thing is that it can be a little sticky. We put it on the cover of our May issue; it's an item which we all saw and thought, 'great'. I have one myself." - Alexandra Shulman, Editor of Vogue.	"M&S have done some smart stainless steel stuff recently. The new colander is especially well designed. Their home-ware range is a slightly funny mixture; a lot of it is traditional, but a few designs are very modern. The lemon squeezer is fairly traditional - it's certainly not Philippe Starck - but the price is reasonable." - Judith Wilson, Decorating Editor, Homes and Gardens

Cornering the market in more than knickers

TAMISIN BLANCHARD
Fashion Editor

Marks & Spencer estimates that almost everybody will have worn a pair of its knickers at some point in their lives.

Thirty five per cent of the knicker-buying public buy their knickers at M&S, and tourists and foreign visitors make the underwear department part of their itinerary.

It is little wonder. No one else in the world offers the sheer choice - from the sports bra to the honeymoon negligee - or the quality and value for money that M&S guarantees. And that is what singles out St Michael clothing. Customers know they can rely on the brand name to provide honest clothing that will never make them look ridiculous.

Behind the scenes at Baker Street, the cogs that keep the endless supply of £12 cotton polo shirts in 16 assorted colours on the shop floors are well oiled. Supply is in direct response to what the consumer wants; as people's lives become more leisure-oriented, Marks & Spencer expands into ranges for golfing, aerobics, and tennis.

The customer relations department at Michael House receives over 2,000 letters a week. People write in to thank the company, to tell them the history of a particular item of clothing they might have bought twenty years ago, and sometimes, to complain. And complaints are taken seriously, often

handed on to the on-site clothing technologists who will test, test and test again, examining fabric structures and seam strength. Every item of clothing is expected to perform to the best of its ability and that means it has to get past the wearer trial panelists who will wear and wash their given item and fill in a detailed questionnaire.

Then there are teams of buyers who work with suppliers and specialist fashion consultants who have included Paul Smith for menswear, Betty Jackson for womenswear, as well as designers like Ghost's Tanya Sarne, who consults for Coats Viyella, who in turn, supply M&S. Each buying department consists of a selection team with a senior selector and range selectors. Within the knitwear department, there will be a range selector whose sole purpose in life is to choose cardigans.

There have also been accusations from designers that the company has stolen ideas and fabrics (Antoni & Alison and Lisa Bruce have both attempted to take legal action against M&S) but such is the power and influence of the company that there is little to be gained by such action.

Although the company relies on classics to appeal to a broad range of people, it is also canny in acknowledging the more fashion-conscious consumer too. So there are hipsters in store this summer, alongside the straight-legged slacks, and a

range of polyester "shantung" shirts that have been featured by fashion magazines, including *Vogue*, as best buys. Such new ideas, that are usually more competitively priced than similar items available on the high street, help prevent the clothing lines at M&S becoming too bland. They are never too extreme, however, for fear of frightening anyone off.

Before a new garment hits the shop floors, it will first have been tried on the St Michael house models - a team of perfect size 8 to 20, both men and women. If you want to have uni-

versal appeal, you must of course ensure that the stock fits across the spectrum.

The secret of Marks' success is in its packaging of new styles and fabric innovations into clothing ranges that the man, woman and child on the street has no difficulty understanding or wearing. When Lycra was introduced to M&S in the Eighties, it was tested on women's underwear, which it transformed in fit and comfort. It was then applied to men's underwear, which women, now educated in its wonders, bought for their partners.



Marks and Spencer's original penny bazaar (Hulton Getty)

The train driver now striking...

CHRISTIAN WOLMAR

In the long litany of excuses for delayed trains, Great Western Trains, yesterday created a new category - the wrong sort of argument. The result was a one-man strike by a driver peeved at having been told off by a Rail-track manager.

The altercation, which the hapless conductor on the 7.04 am Hereford to Fordington described as "a farce and a fiasco", followed an incident down the line when a signal worker reported the driver for not having followed safety procedures. Passengers had to wait for three

quarters of an hour at Moreton-in-Marsh because the driver, known only as shift number B Rd62, refused to continue with the journey until he was exonerated. The conductor told passengers on the almost full service that there had been a dispute and, according to a passenger, said: "there are allegations against the driver and the driver is refusing to take the train further until the dispute has been resolved".

One passenger who was on the train said: "Fortunately, it was a very sunny morning and Moreton-in-Marsh is a pleasant little station, so people were more amused than angry."

Mr Ritchie said that after the delay, the conductor announced that they had held a kangaroo court at the side of the track and "we have decided that the driver can take the train to Reading [an unscheduled stop] where he will be relieved of his duties." He blamed privatisation: "In the old days he would have just been told to drive on, but now it took two managers to sort out the problem, one from Railtrack and one from Great Western."

The problem started at Evesham, the start of a single line part of the track where the driver must collect a token to be allowed to proceed, ensuring

that no oncoming train is on the line. However, the signal worker, who due to a technical problem had to give the token personally to the driver rather than let him collect it from a box, thought that the train had started off before he had given it clearance. In fact, the driver had been through the signal before collecting the token.

The signal worker alerted his manager and the argument at Moreton-in-Marsh ensued. A spokesman for Great Western Trains said last night that the incident had to be investigated before the driver could proceed and that no action would be taken against the driver.

Legal eagle lured with £700,000

PATRICIA WYNN DAVIES
Legal Affairs Editor

A law firm has gone public for the first time over plans to pay up to £700,000 a year for a City solicitor, just as the Law Society called on the PR consultant Sir Tim Bell to improve its image. The New York-based Chadbourne and Parke wants to boost its London operation and has advertised for three partners at an annual salary of £200,000 to £300,000. It is believed to be the first time a solicitors' firm has owned up to offering such a large pay packet.

By contrast, the man claiming to represent the small solicitor, the Law Society president, Martin Mears, has commissioned the J Walter Thompson advertising agency and Sir Tim to improve the society's plummeting standing. But the decision to consider spending possibly £3m on advertising is not likely to stem a stream of complaints about Mr Mears's leadership style, which some solicitors blame for their loss of status in the first place, since he snatched the presidency on a "reformist" ticket in July. Since Mr Mears took the so-

ciety by storm there has been a exodus of senior staff and members of its ruling council. A former society president, Rodger Pauwone, a personal-injury lawyer, is expected to claim at a meeting at the society today that Mr Mears's leadership is damaging the profession.

The wealth and success of City firms has always enabled them to hold themselves aloof from the travails of the rest of the profession.

The £700,000 sum in the Chadbourne and Parke advertisement, putting the recipient in the Eric Cantona or compa-


ny-director bracket, is likely to be the sort of money already earned by senior partners in blue-chip London firms, while top barristers already earn up to, and more than, £1m.

Chadbourne and Parke's quest for staff is being handled by Joe Macrae, of the legal-recruitment consultants Zarak Macrae Bremner. It was rare for a law firm seeking partners at that level to be openly named, he said, and £450,000 was the previous highest advertised salary. But Chadbourne and Parke were prepared to pay the top rate for the right person.

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news

£49 Paris return in Eurostar take-over

CHRISTIAN WOLMAR
Transport Correspondent

Direct trains to Euro Disney and to the French Alps are being promised as part of the relaunch for the Eurostar train service when it is taken over by a private consortium next month.

The new services are part of a complete revamp of the loss-making service - to be promoted with an advertising campaign featuring Frenchman Eric Cantona, Manchester United's star striker - with the aim of doubling the number of passengers, from its current annual level of 3 million, within the next year.

Other measures include a £49 return fare from London to Paris or Brussels in conjunction with promotions for Virgin Cola, special student tickets - also for £49 - rail travel to the south of France, changing at



Cantona: Face of Eurostar

Lille, for £99 return and to Cologne, in Germany, for £79 return. Business travellers will also be able to interchange tickets between British Midland and Eurostar, taking the train in one direction and flying in the other.

Travellers from Ashford in Kent will be able to buy a £49 return to Paris or Brussels during the school holidays.

London & Continental is also introducing direct daily trains to Euro Disney throughout the summer, starting on 29 June, and there will be promotional fares of £49 50 per person for those travelling with children.

This compares with Eurostar's current cheapest fares of £59 to Paris and £69 to Brussels and is much cheaper than the £89 cheapest fare on airlines. Eurostar claims to have already taken around 60 per cent of the Paris leisure market and 27 per cent of the Brussels business market on its trains.

The company is also looking at on-board entertainment, with seatback videos initially for first-class passengers, and eventually in standard class. There may also be entertainment on the Euro Disney train with magicians, fortune tellers and face-painting for children.

L & C will take over the

British part of the Eurostar service - which is also part owned by the French and Belgian railways - at the end of the month as part of the deal to build the £3bn Channel Tunnel Rail Link.

The idea is that the consortium will be able to use the profits from the Eurostar service to fund the construction of the link and therefore it is essential for L&C to turn the finances around quickly.

Ian Brooks, Eurostar's commercial director, said: "I have staked my job on doubling the number of passengers on Eurostar by next year."

Richard Branson, whose Virgin group is part of L & C, was even more optimistic, saying he hoped by the end of the decade 30 million people would be using the Eurostar trains each year, but this is seen as wildly optimistic by most rail industry observers.



Twisted: The hull of the Sea Empress showing the scars inflicted by rocks off the Welsh coast. Photograph: Alan Lewis

'Sea Empress' lies in Belfast dockyard

The Harland and Wolff shipyard in Belfast has beaten off stiff international competition to land the contract for a dry-dock damage assessment of the Sea Empress, which spilled around 70,000 tons of crude oil when it ran aground on Welsh beaches last February, writes Peter Victor.

A number of other yards are now tendering for the contract to repair the tanker.

Environmentalists are still counting the cost of the spillage, which damaged more protected wildlife sites than any other single pollution incident.

Twenty-six Government-designated sites of special scientific interest (SSSIs) on the coastline of west Wales were hit by slicks. The sites stretched from the beaches and dunes of Pendine and Laugharne Sands in the east to Wales's only un-

dersea nature reserve, around the island of Skomer in the west. At least 120 miles of beach was oiled, most of it within the Pembrokeshire Coastal National Park. Some 2,500 birds were killed by spilled oil. A further 3,000 oiled birds were rescued alive by the RSPCA.

An inquiry into the spillage found that the master of the ship and the pilot had not discussed a plan for the approach before the vessel entered the West Channel at the mouth of Milford Haven.

The interim report by accident investigators, published by the Government last March, indicated that errors were made by the Milford Haven pilot and not by the tanker's crew. The Department of Transport's Marine Accident Investigation Branch found that the ship had no known deficiencies.

Union throws down gauntlet on pay freeze

BARRIE CLEMENT
Labour Editor

Private warnings about the need for a public-sector pay policy under a Labour government were rebuffed yesterday by the leader of Britain's biggest blue-collar union.

Bill Morris, general secretary of the Transport and General Workers Union, made clear his organisation would have no truck with any administration that continued the present government's freeze on wage bills.

Public-service unions have been told informally by shadow ministers that they should not expect any immediate change in the approach under a Labour government. In turn, party figures have been warned in private that they should expect outbreaks of industrial action.

Mr Morris said the union movement had understood the oft-repeated message that there would be "fairness, not favours" if Labour came to power. "The T&G reply is a simple one: 'We do not expect any favours and will give no favours'."

He said the next Labour government would be approached like any other employer and would be judged by its deeds. There would be no co-operation with pay policy in the private or public sector. "It is interesting that at the first whiff of a Labour government, a few academics emerge from obscurity to make the case for a pay policy. I can tell you the T&G's attitude towards pay policies: we've been there, seen it, done it and it does not work. And we are not having it."

Addressing a T&G conference on minimum standards at

work, Mr Morris coupled his wages warning with a reinterpretation of consecutive Conservative governments. "Some on the left of British politics say that the last 17 years have been wasted years. For us in the T&G they were also learning years." The union's communications and democracy had been improved. "In a nutshell, we have learned to turn arrogance into confidence."

He acknowledged his comments constituted "a defining moment" in the history of his union. Five years ago, a left-backed union leader such as Mr Morris would have been called to account by his union backers for such revisionist remarks.

His union's relationships with management could be summed up in a sentence: "We cannot compete on the basis of conflict." It was necessary to improve competitiveness and improve the conditions of union members.

There was a desire for companies to succeed and an acknowledgement that workers needed to be flexible as well as to enjoy job security.

He warned, however, that while the T&G was committed to work with the good employers, it would not hesitate to oppose the bad.

Ian McCartney, the Labour Party employment spokesman, told the conference that unions would have a "valued role" under a Labour government, which would draw up its policies in partnership with industry. A Blair administration would ensure that unions would be recognised in any organisation where there was majority support, he said.

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Cancer treatment: British Biotech's tumour drug is still on trial, but a stock-market valuation of £1.9m shows optimism

City places faith in a cure for the future

MAGNUS GRIMOND

Shares in British Biotech, the leading member of the UK's biotechnology industry, soared yesterday as the company announced the successful completion of the latest trials on a drug which could prove a major breakthrough in the treatment of cancer.

At one stage the price jumped by £7.58 to £37.88, more than seven times the value shares were at just over a year ago, but settled back to close at £33.15, valuing the company at around £1.9bn. Although it has no products on the market and has never made a profit, British Biotech could now be on course to enter the FTSE 100 index, the select group of Britain's biggest companies.

The stock-market euphoria came after the trial results backed up early findings released in November about the company's Marimastat drug. Successful completion of these

so-called phase II trials is seen as a major milestone in the City on the way to the drug's eventual route to a cancer market valued at £7bn a year on one estimate. If Marimastat captured just 10 per cent of the five million patients diagnosed worldwide with cancer, it could potentially be making profits of £700m by the next century, but the drug must pass stiff clinical and regulatory hurdles before reaching that stage.

Pharmaceutical analysts yesterday factored in an increased chance of the drug clearing those obstacles. Mark Brewer at Hoare Govett said he had cut the discount rate applied to the potential revenues from Marimastat from 35 to 25 per cent on the basis of yesterday's news.

The latest test results, covering 232 patients who have used the oral drug for at least 28 days, showed that it had a clear effect on antigens or "markers" in the blood which in-

dicate the presence of cancer. In a study of 48 sufferers from pancreatic cancer, 14 showed signs of having the growth in their tumours interrupted by use of the drug. Those who responded to the treatment survived more than 200 days, compared to around 125 days for those who were poor responders.

The findings will now be sent to the powerful United States regulatory agency, the Food & Drug Administration, but the success of these results means that British Biotech is now ready to begin the first definitive trials before attempting to gain approval for Marimastat from the authorities.

James Noble, finance director, said: "What we showed definitively in November was the increase in antigens was much less on the drug than off the drug, but the problem was that all the doses did the same thing."

The latest results, however, show that there is a different re-

sponse at different doses, he said, while if those tested are divided between those who did and did not respond, then those who respond live longer and not so many of their tumours grow, at least in cases of pancreatic and ovarian cancer.

The trial also appears to show that Marimastat is as effective at lower doses, although the side effects identified earlier – sore shoulders and hands – have not been reduced.

The November findings sparked off a boom in other biotechnology shares, with some having doubled in value. Yesterday, however, trading in such shares was subdued, with many share prices falling. But British Biotech's shares, according to one analyst, could now be worth £44.

The company is already valued at the same level as some of Britain's leading companies, such as Dixons, the electrical retailer, and Williams Holdings, the Yale locks to Cuprinol

Brother's cells give hope to sufferer

GLENDA COOPER

New hope was offered to leukaemia victims after doctors successfully treated a four-year-old boy with blood cells from his brother's umbilical cord.

The operation – the first of its kind in the UK – took place at Glasgow's Royal Hospital for Sick Children on 4 April and yesterday the Asian boy, named only as Bilal, was allowed home. Another operation has also taken place at Great Ormond Street Hospital, London on 23 April, on seven-year-old Vijay Negi, from North London, who suffers a rare form of anaemia.

Bilal has suffered from leukaemia since birth and efforts to find a matching bone marrow donor from either the British Bone Marrow or the Anthony Nolan panels failed.

When his brother, Aadi, was born in January, stem blood cells were taken from the umbilical cord and frozen. When they were found to be a perfect match – and after Bilal had chemotherapy to clear his bone marrow – 100 millilitres of blood was transfused into him by the consultant haematologist, Dr Brenda Gibson. Yesterday he was pronounced well enough to leave hospital.

"I think if he stays in remission for a year, we would feel reasonably confident that [the leukaemia] is not going to return", said Dr Gibson.

Vijay Negi – who suffers from the "extremely rare" Fanconi Anaemia – had the transfusion after cord blood cells were collected by the National Blood Transfusion Service following the birth of his sister. He was yesterday said to be making a "very good recovery" at Great Ormond Street.

Stem cells are "all-purpose" blood cells found in the bone marrow and other blood-forming tissues which can develop into the various types of white blood cell found in the immune system. Recently it was discovered that a transplant of stem cells from the umbilical cord may provide a better weapon than bone marrow against leukaemia.



Miracle: Bilal (right) with his four-month-old brother, Aadi

Researchers cautious over latest claims for cancer 'wonder drug'

TOM WILKIE
Science Editor

Senior cancer researchers last night greeted with caution claims that a new drug developed by the British Biotech company was a "wonder drug" or cancer "cure".

British Biotech issued its statement yesterday to coincide with the presentation of the results at the American Society of Clinical Oncology. Its first announcement, last November, of results with just 94 patients provoked a massive buying of the company's shares.

Marimastat is scientifically interesting because it acts against

a different target compared to existing cancer drugs, according to Dr Fran Balkwill, a principal scientist with the Imperial Cancer Research Fund (ICRF). It acts to "wall" off solid tumours by interfering with the way they develop a blood supply to feed themselves and inhibit metastasis – the spread of cancer cells from the original tumour to other sites in the body. The drug also has the advantage that it can be taken orally, at home, rather than injected in hospital.

But Dr Balkwill added that Marimastat was unlikely to be a cure for cancer. "Obviously, ICRF hopes that this will be an effective cancer treatment but

it will be a matter of years rather than months before anyone knows for certain."

Dr Balkwill cautioned that the company may be trying to get the drug to market quickly, before the best long-term use for it was known. "They may have chosen Phase III clinical trials that give quick results."

She suggested that the best use might be to give patients chemotherapy or radiotherapy to treat their tumour and then put them on low-dose long-term Marimastat maintenance.

It might not be best, as the company is proposing in the next stage, to give Marimastat at the same time as chemo-

therapy. Marimastat may interfere with the chemotherapy getting to the tumour itself.

But patients as well as the company will benefit if the drug is successful and comes to market even for suboptimal use. Dr Balkwill said, because long-term trials will ultimately be done to indicate the best use.

The company has not yet compared the drug's action against existing treatments that will come with Phase III – randomised trials involving 300 patients with pancreatic cancer (which is very rapidly lethal) to assess whether the new drug is better than what is already available.

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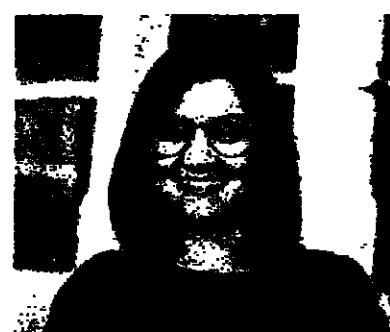
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Research into BSE cut by ministry

TOM WILKIE
Science Editor

The Government's reliance on science as a political weapon with which to beat the European Union was undercut yesterday by the publication of figures showing that the Ministry of Agriculture is spending £1m a week less on scientific research now compared to 1985 when bovine spongiform encephalopathy (BSE) was first reported.

The Government's chief scientific adviser yesterday conceded that spending cuts had damaged the Ministry of Agriculture's (MAFF) scientific capacity at the time when public concern had grown over mad cow disease in Britain.

Over the past 10 years, Government spending on research and development across all departments has fallen by £1.6bn in real terms - about a quarter. MAFF's spending has been cut by slightly more than the average.

Sir Robert May, the chief scientific adviser, said that over the past decade the ministry had focused narrowly on research and development which touched its central policy objectives with the result that it was now less able to respond to new challenges like mad cow disease.

He added: "I think MAFF might now recognise that decreasing veterinary expenditure is something to be reconsidered." He said that research on BSE had not been cut any more than any other aspect of MAFF science.

In contrast to the ministry's practice of cutting science, he stressed his view "that it is the responsibility of all departments to take a broader view of their ability to respond to the unexpected" by maintaining their scientific expertise. Sir Robert pointed out that in the face of concern about emerging diseases affecting human health, as well as new animal diseases, "We need to be thinking about how do we respond to things we don't know about."

The Department of Health is putting together a £4.5m co-ordinated programme of research on the epidemiology of Creutzfeldt-Jakob Disease, Sir Robert announced. This new NHS money will be matched with £4m extra from MAFF for further studies of BSE.

However, the Government is expected to announce today that the research institutes of the former Agricultural and Food Research Council are to be hived off to a semi-privatised position.

Tax reversal denied

Labour yesterday denied it was considering dropping tax-raising powers from its Scottish parliament blueprint, after a sustained Tory attack on the "Barnet Tax".

Shadow Scottish Secretary George Robertson said the parliament would have "a limited power to raise and cut taxes" and insisted: "There is no question of taking such a power away."

Options said to have been under scrutiny by Labour were for

the body to have no tax-raising powers for a fixed period, a stipulation that any tax changes would need a two-thirds majority of Scottish parliamentarians, no change in the present proposals, or a requirement that all parties must make manifesto declarations of any plan to use the taxation powers.

But Mr Robertson denounced the reports as "rubbish" and said the options listed were "purely theoretical".



Reflected glory: Steven Norris, Minister of State at the Department of Transport, leans out of a newly redesigned carriage, produced for the Heathrow Express Railway Link, which was officially unveiled at the Railway Technology Forum in Birmingham. Photograph: Stuart Harrison

Labour promotes student loan plan

FRAN ABRAMS and
JUDITH JUDD

Students are likely to pay a higher rate of interest on loans for living costs under a Labour government, the party admitted yesterday.

David Blunkett, the party's education spokesman, revealed that Labour would seek private funding for a £2.4bn-per-year loan system for students.

For the first time, parents would not be asked to contribute to students' living costs. A Labour government would abolish grants and loans replacing them with a loan system funded mainly by the banks.

But he said that Sir Ron Dearing, whose committee to review higher education met for the first time yesterday, would be asked to decide how high the rate of repayment would be. Ex-

perts pointed out that the money to pay an attractive interest rate to banks would have to come from students or the taxpayer.

At present, the interest on student loans is pegged to inflation. Labour sources said students would not have to pay the full commercial rate.

Mr Blunkett said graduates would repay the money over a 20-year period through National Insurance contributions. They would not start paying until they were earning more than the national average wage.

Vice-chancellors, students and lecturers all welcomed the policy.

Jim Murphy, president of the National Union of Students, said: "The union is in favour of a fair system of contribution from students who have benefited from higher education if this

means students will have enough money to live on and will have a fair and balanced scheme for repayment relating to their income."

A spokesman for the vice-chancellors' committee said: "Removing parents from student support is a major step forward which we have always advocated. But it doesn't grasp the real picture which is that, sooner or later, payment of tuition fees has to shift from the taxpayer to the individual."

At present, living costs are split between grants, loans and parental contributions with loans costing about £1bn. Under the proposals, all students could take out loans, including part-time learners and those in further education who are not able to do so at present. Mr Blunkett said the loans would help to alleviate student hardship.

But Eric Forth, the Higher Education minister, said there was little evidence of student hardship and no evidence that drop-out rates had increased since the introduction of loans. He added that the proposals for income-contingent repayments which would mean richer graduates paid back their loans more quickly than poorer ones had not been costed.

Labour made no commitment to extra government funding for higher education, nor did it promise to meet a Confederation of British Industry target of 40 per cent of the population reaching graduation by the year 2000. However, its policy paper did support the principle of widening access - one-third of 18-year-olds go into higher education at present.

Banks have proved reluctant to finance student loans in the past. Dr Iain Crawford, of the London School of Economics, and a member of the Conservative party think-tank on student loans said he thought pension funds were a much more likely source of funds.

"The proposals could be made to work very well. Huge savings are possible on the present system. There is no reason why the Government should need to spend more."

Mr Blunkett said the details would be worked out by Sir Ron. Yesterday's proposals will form Labour's submission to the inquiry, which has been endorsed by both main political parties.

"We are putting forward general principles on which it will work and will obviously expect to pursue it with financial institutions in due course," Mr Blunkett said. Case for graduate tax, page 16

Tories 'won't return cash'

JOHN RENTOUL
Political Correspondent

The Conservative inquiry into reports that the party accepted donations from businessmen linked to Radovan Karadzic, the Bosnian Serb leader wanted for war crimes, is expected to conclude that there was no impropriety and that no money should be returned.

But the inquiry, launched by Tory chairman, Brian Mawhinney, has been complicated by growing pressure on the Tory candidate who introduced the donor to stand down.

John Kennedy, the candidate for Halesowen, and Rowley Regis, introduced a Yugoslav-born businessman to Jeremy Hanley, the former Tory chairman, in 1994. Mr Kennedy, originally John Gvozdenovic, has sought to explain the position of Mr Karadzic on television in the past, although he recently said that anyone against whom there is evidence of genocide must face charges.

Some Tory MPs and party officials are pressing Dr Mawhinney to disown Mr Kennedy, although Warren Hawkesley, half of whose present constituency goes into the new, marginal, Halesowen seat, said: "I have heard nothing to suggest that he would be anything but an excellent MP."

Dr Mawhinney has not yet spoken to Mr Kennedy, but Tory sources said it was possible that the Tory chairman could write to the Halesowen Tory association if, after doing so, he felt he should stand down as their candidate.

A source in Tory Central Office said that the donations amounted to less than £50,000 and that it was highly unlikely that there was any connection between the donors and Mr Karadzic or the Bosnian Serb leadership.

Mr Hanley, the former Tory chairman, now a Foreign Office minister, said yesterday that he was "available to give any information I might have" to his successor's inquiry.

Meanwhile, in the Commons, the Prime Minister yesterday rejected Labour demands for an independent review of the rules on party funding.

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Major feeds the Tory right with Brussels' rout

John Major's announcement of non co-operation with the European Union until progress is made on lifting the beef ban drew a shout of triumph from the Tory right, immediately followed by a call for still tougher action.

Leading Euro-sceptic Bill Cash said that although the Prime Minister's statement was "welcome in tone", the Government should look again at the legality of suspending payments to the EU. That was the way to bring other countries to the negotiating table, he argued.

And Bernard Jenkin, Conservative MP for Colchester North, warned: "The Prime Minister is starting down a road of forceful but restrained escalation. Until there is a happy resolution of this matter there can be no turning back." Mr Major appeared to agree, assuring the House he was "perfectly aware this course must be proceeded with until we have a satisfactory outcome". But he drew the line at illegality.

Suspending EU payments would mean breaking the law, he told Mr Cash. "And it wouldn't be a question of having to face the European Court of Justice. It would, in a matter of days, be a question of having to face the courts in this country."

Britain's beef industry was being treated unfairly but their case would not be helped by an illegal act that would entrench opposition abroad, he said.

Mr Major told MPs that progress would not be possible in the Inter-Governmental Conference or elsewhere until there was agreement on lifting the ban on beef derivatives and a clear framework in place leading to a lifting of the wider ban. "We cannot continue business as usual within Europe when we are faced with this clear disregard by some of our partners of reason, common-sense and Britain's national interests."

Mr Major said a proposal before Monday's EU vet's committee based on best scientific advice had been ignored by some states, some of whom

has promised support. "I regard such action as a wilful disregard of Britain's interests and, in some cases, a breach of faith."

Pressed by Tony Blair, the Labour leader, to say exactly what the "strong language" meant, Mr Major said he would make sure beef dominated the EU summit at Florence.

To Nicholas Winter, Tory MP for Macclesfield, the Prime Minister has "spoken for Britain", but Paddy Ashdown, thought the statement was aimed at narrower group.

"Most people will conclude that the Euro-sceptic minority of his backbenchers have now taken control of the Government's foreign policy," the Liberal Democrat leader said. "And that this [statement] is much more to do with appeasing them than it is with restoring confidence in the beef market."

The leaders had been at each others' throats only minutes earlier at Question Time over party funding, with the row fuelled by allegations that the Tories received £100,000 from a Serb-born businessman linked to Radovan Karadzic and a "dubious" £400,000 from the fugitive Asil Nadir.

Mr Blair said that in the light of concern on the funding of political parties, the "right, fair and honourable" course was an inquiry by the Nolan Committee. "If the governing party does not accept that, the inevitable question everyone will ask is: what have they got to hide?"

But Mr Major flatly rejected a Nolan inquiry. "It's only in the Labour Party that donations and money buy influence... where trade unions provide the funds in return for votes at Labour's party conference," he said.

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arts news

edited by David Lister

Royal Fine Art Commission: Leaked report accuses judges of architectural taste of acting in 'arbitrary and inconsistent manner'

Art commission is 'elitist and too expensive'

JONATHAN GLANCEY

As what seems to be one of the last surviving outposts of the Byzantine Empire, the Royal Fine Art Commission is a fascinating oddity, an exquisite and maverick survivor in the world of modern town and country planning and value-for-money government. The role of the publicly funded commission with a brief to criticise new building schemes throughout Britain has been under scrutiny for many months by Sir Geoffrey Chipperfield, a senior civil servant. It is now under attack.

Sir Geoffrey, in the leaked report, accuses the commission of being too elitist, too remote and, at £300,000 a year, far too expensive. Lord St John of Fawsley, chairman of the commission for the past 11 years, and with three years to go, is criticised for driving around town in a brand-new car, costing nearly £30,000 a year to run. The commission is decried for acting in an "arbitrary and inconsistent manner". The report, commissioned by Stephen Dorrell, former secretary of state for National Heritage, even condemns the £23,000 paid each year to a part-time public relations assistant. It is as bitchy and as biting as those it seeks to admonish.

But the fairness, or otherwise, of Sir Geoffrey's sweeping criticisms, must turn on what the commission is put to and what value the taxpayer gets for its money rather than on Lord St John's personal style of chairmanship and dress.

Lord St John has a better eye than most architects", says Paul Finch, editor of the *Architect's Journal*. "The decisions reached by the commission are no more and no less arbitrary than the proposals made by developers to change our towns and cities. Unlike local planning authorities, who are banned from mak-

ing aesthetic judgements of new buildings and may represent local prejudices, the commission is a free agent, able to take a lofty, independent and aesthetic view which is otherwise denied."

While it can praise or condemn the look of new buildings, the commission has no statutory powers to do anything about a project it believes to be ugly or out of place. Set up in the Thirties when planning laws were modest in scope and power, the commission was a useful brake on the visual excesses of rampant commercial development in the years leading up

Unless it reinvents itself, the RFAC will find itself, slimmed, trimmed and reduced in stature

to the Second World War. The Town and Country Planning Act of 1947, however, gave teeth to a new generation of nationwide planning authorities and these made the RFAC all but redundant.

"The commission has been overtaken by the strengthening of planning laws", says Dan Cruickshank, the architectural historian and conservationist, "and, today, no one needs or has to listen to what it says. In any case, the commission today comprises a rather extraordinary group of people who are unable to reach a consensus on developments of national importance."

It does seem odd that Modernist architects such as Sir Michael Hopkins and John Winter should serve on the commission as the classic Quinlan Terry and Sophie Andrae, the former head of

Save, the highly active heritage lobby. In theory, this polarity may suggest the commission's healthy willingness to take on board a wide range of views; in practice, it means that the commission is often in no position to speak with a clear and influential voice.

Sir Geoffrey's report does not give praise where praise is due. Whatever anyone thinks of Lord St John's pompous personal style of management, the commission has often been a force for the good behind the scenes. It was the RFAC, for example, that put a stop to the building of a hideous new headquarters for the Inland Revenue in Nottingham. The building that was built, a handsome design by Sir Michael Hopkins, was a small triumph for the commission's byzantine style of behind-the-scenes lobbying. The fact that the Nottingham commission went to one of Lord St John's advisers did, however, leave the RFAC open to accusations of self-interest.

The RFAC is, in many ways, a curious anachronism, and yet it does leave open a door for criticism of new buildings based on expert analysis rather than on the wholly mechanistic rules of Britain's complex and weighty planning system.

However, unless the RFAC reinvents itself and learns to behave in a less foppish and arbitrary manner, it will find itself, like the Design Council, slimmed, trimmed and reduced in stature.

The message seems to be, strip away the "Royal" frills, buy a second-hand Jag (excellent value because of massive, yet unwarranted depreciation), and do not hand out jobs so blatantly to the unpaid commissioners who turn up each month at the commission's headquarters at 7 St James's Square, in London, to bring the aesthetic element to bear in an otherwise soulless national planning system.



Outspoken: Lord St John of Fawsley opposed plans for a millennium Ferris wheel by the Thames

Photograph: Tom Pilstor

The man in the monogrammed slippers

DAVID LISTER

Once a minister, always a minister. Lord St John of Fawsley long ago exchanged the role of a Cabinet minister for the less exacting and considerably less powerful role of chairman of the Royal Fine Art Commission. Psychologically, however, the change of lifestyle may not have registered.

As the former Chancellor of the Duchy of Lancaster relaxes at home in his purple slippers, embroidered for him with his coat of arms by Lady Palumbo, Lord St John might take "papers" from a ministerial style red leather box, even though now

Times change, but Lord St John keeps an eye on the past

the box is more likely to contain a letter from the Georgian Society about a balcony extension than a private memorandum from Margaret Thatcher.

He may, of course, peruse the less than confidential documents as he motors in to the £250,000-a-year Royal Fine Art Commission offices in St James's Square near Piccadilly. With the £29,000 of public money allotted for a "suitable" car for him each year, there will be ample room for both the 67-year-old peer and his box.

The commission used to share offices with the Museums and Galleries Commission in St James's Square; but the MGC moved out not long ago, muttering about high-handed attitudes from their co-tenants.

The story is told of the executive lavatory, for use by the chairman and senior officials of both commissions. One day, however, humble commissioners arrived to find the lock to the toilet had been changed, and Lord St John had the new key.

Lord St John, who manages the rare feat of being a good friend of both the Prince and Princess of Wales, is also one of Britain's leading Roman Catholics, yet can become as excruciated over the thought of a Ferris wheel on the banks of the Thames as a pronouncement from the Vatican.

He has used his royal connections well to boost the profile of the commission, which was desperately low before he arrived; and he has been re-

warded with an extension of his chairmanship for another three years.

His words do not always carry weight. From his chairman's office he denounced the Millennium Ferris wheel project as "wholly unsuitable"; but his views were rejected.

But while Lord St John gives the appearance of ruling the commission in a feudal manner, the real substance of the commission's work is achieved with some effect behind the scenes and behind this outward show of pomp.

Sandy Nairne was a key official at the Arts Council before moving to the Tate Gallery as an assistant director. He has had many dealings with the RFA commission in both roles. He

says: "Only in England could you have such a body. It has statutory powers to exist. But it has no powers to get anything done. It's very odd."

However, the positive side is that you do get a bunch of intelligent people putting their minds to whether a new building is good or desirable, and looking at it from the point of view of aesthetics. And it's not just buildings. They have pronounced on the new telephone boxes and the new passport. Lord St John is a public figure in his own right, but he is also surrounded by good officials.

"When they do voice concern - on say a new shopping centre - it can cause local authorities to think again. It's an oddity but it has had a demonstrable effect on the improvement of architectural standards."

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Claire Allfree ponders the pronouncements made in the RFAC's recent booklets

Lighten Our Darkness: With a foreword stating "The time has come to put drama back into the British night, to celebrate the art of illumination and the romance of shadow", combined with the somewhat impassioned title, one might be forgiven for thinking that this is the ravings of a mystic cult instead of a government-sponsored investigation into urban lighting.

In essence, the pamphlet is a valid assessment of problems: ranging from the gradual disappearance of the stars in the night sky through light pollution to the insensitive lighting of

many of our public buildings. Inevitably the new is compared unfavourably with the old, the historic buildings are portrayed as the victims of the harsh lighting radiating from department stores and advertisements, and the Oxford Street Christmas lights are particularly criticised for their insensitivity to their environment.

The principal impulse is definitely one of maintaining conservative good taste but the strategies suggested for achieving it are only vaguely articulated, concentrating mostly on what should be done instead of real ideas on how to do it.

Medicis and the Millennium? The question mark here is high-

ly appropriate to this most imposing of titles. However, the pamphlet's aim of criticising the Government's patronage of architecture seems more promising.

The report dwells extensively on the individual government departments responsible for different public buildings and the consequent problems this causes, which makes dry reading given the intricacies of bureaucracy involved. Too much attention is given over to internal politics, but the booklet can be praised for consistently returning to its rallying call.

Examples are given of projects that have suffered because of bad judgement and lack of vision and the British government

is compared unfavourably with those on the continent. But one cannot help wishing the booklet had made a stronger cry for fresh innovative design instead of being so preoccupied with planning commissions.

Design in the High Street: Again an admirable stance is taken on the encroaching horrors of cheap and functional high street architecture. This is a more in-depth analysis of town planning and examines the relationship between architecture and the shopping experience. The pedestrian crossing comes under attack for "marshalling" of shoppers across the street and then stranding them on the central refuge.

Camelot's charity stays at home

REBECCA FOWLER

Camelot has refused to give an additional portion of its "unanticipated profits" to charity following the success of the lottery, despite recommendations by the National Heritage Committee.

The committee concluded in its report on the running of the National Lottery yesterday that because the public was buying far more lottery tickets than anyone had forecast, Camelot, which is making around £1m profit a week from the game, should donate a generous chunk to charities.

Gerald Kaufman, chairman

of the committee, said: "We left it imprecise hoping Camelot's good nature will make it as much as possible. We are looking for a substantial sum of money. Since this lottery is doing twice as well as anybody expected, Camelot ought to be nice and generous."

The lottery, launched in 1994, is played by around 30 million people a week. In "double-rollover" weeks, when the jackpot can reach record levels, nearly every adult in the land takes part. A further estimated 10 million people buy up to 20 million scratchcards each week.

However, Camelot said yesterday it had no intention of

giving more money to charity. A spokeswoman said: "We already are giving away a considerable amount of our profit to charity and... we have already become a major corporate donor. Last year we committed over £500,000 to charity and community projects."

Camelot has come under increased scrutiny over lottery profits, which have been described as an embarrassment of riches by the company's critics; its after-tax profit works out at 1 per cent of every sale.

The rest of the money is divided between prizes, at 50 per cent; good causes, 28 per cent; lottery duty, 12 per cent; retailer

commission, 5 per cent; and a further 4 per cent for Camelot's costs. Over Camelot's seven-year licence sales are expected to top £32bn.

John Major praised the "great success" of the National Lottery yesterday, and told MPs he was glad the report contradicted fears that charitable donations would fall.

"It is undoubtedly a huge success and is raising huge sums of money for good causes," he said. "What I am particularly pleased to note is that fears expressed by so many people some months ago that charitable donations would fall are now shown to be wrong."

DAILY POEM

Sufficed not madam, that you did tear

By Sir Thomas Wyatt

*Sufficed not, madam, that you did tear
My weeping heart, but thus also to rent
The weeping paper that to you I sent,
Wherof each letter was written with a tear?*

*Could not my present pains, alas, suffice
Your greedy heart, and that my heart doth feel
Torments that prick more sharper than the steel,
But new and new must to my lot arise?*

*Use then my death. So shall your cruelty,
Spite of your spite, rid me from all my smart,
And I no more such torments of the heart
Feel as I do. This shall thou gain thereby.*

Sir Thomas Wyatt (1503-1542), poet, soldier and diplomat and "the first great English lyric poet", introduced the sonnet, *terza rima* and Italian verse forms into English. His political poems show a fashionable mastery of the protracted metaphor: the "galley" forced to plough through "sharp seas", "twelve rock and rock" doing service for the precarious nature of life at court. Wyatt's own short life - he died aged 39 - included an adulterous affair with Anne Boleyn and three stints in the Tower of London for treason. Carcanet published his *Selected Poems* last month at £6.95.

NHS market: Government moves to cut red tape as few fundholders are found buy more effective health care for patients

Reforms of doctors attacked as 'waste'

NICHOLAS TIMMINS
Public Policy Editor

Fierce criticism of the effectiveness of GP fundholding, one of the flagships of the Government's National Health Service reforms, came yesterday from the Audit Commission, the independent public sector watchdog.

The costs of the scheme have more than outweighed the efficiency savings, the commission said. Few fundholders have succeeded in purchasing more effective health care for their patients and there are serious questions over how the savings that have been made are spent. The scheme needs to be more accountable, the entry criteria should be tightened and an accreditation system may be needed which would see some GPs lose their fundholding status, the commission said.

The biggest survey yet of the five-year-old scheme, which covers a third of GPs and half the population, shows that the best fundholding practices have achieved real gains for their patients – dramatically re-shaping services for their benefit.

But such practices are "rare", the report, *What the Doctor Ordered*, says. They account for perhaps one in 10 of the 2,200 fundholders. Most have made some improvements. But the majority have made only "changes at the margins", continuing to purchase "the same services, in the same quantity, from the same providers as the health authority purchased on their behalf before they became fundholders".

Many fundholders "have yet to develop much beyond the basics", the report says, and the question that must be asked is "whether they are providing sufficient improvements to justify the costs". Up to last year £232m had been spent in management costs on fundholding but only £206m in efficiency savings were realised. Millions more are spent

by health authorities and trusts on administration costs which need to be minimised.

GPs might be expected to buy more effective health care, the report says. But few fundholders hit the NHS Executive's target for day surgery and fewer than one in five examine re-admission or infection rates to measure outcomes.

Budget management is patchy and health authorities lack powers to deal with "wind-fall" savings. There is debate about whether savings are being well spent, with 60 per cent going on improving surgeries.

The report argues that fundholders need to work closely with health authorities to ensure they achieve benefits for all patients, not just for their own. Health authorities should identify their "leading edge" practitioners and use them to help underachievers. For some GPs successful purchasing "will be more likely in a health authority-led 'locality' arrangement" – an approach close to that advocated by Labour.

Harriet Harman, Labour's health spokeswoman, said the report made the case for Labour's approach. "The flaws that have been highlighted could not be addressed without yet more administrative expense."

But Stephen Dorrell, the Secretary of State for Health, said the Government remained "committed to its development" and it was "nonsense" to say there was no framework of accountability. The report showed that "if every fundholder delivered the services of the best there would be huge benefits for patients".

The British Medical Association welcomed the report, saying it was important to learn from the scheme's early experience, while the National Association of Fundholding Practices said it confirmed fundholding success.

'What the Doctor Ordered', Audit Commission, HMSO £17.

Dorrell claims changes are a long-term cure

NICHOLAS TIMMINS

The Government yesterday made the biggest single set of changes to the NHS market since its introduction in 1991, telling health authorities and fundholders to move to longer-term three-year contracts and making it easier and quicker for GPs to refer patients to hospitals with which they do not have contracts.

The moves are part of measures that Stephen Dorrell, Secretary of State for Health, said would release at least £40m for patient care over the next few years, cutting forms by 175,000 annually and reducing the paper sent out to the NHS by 1 million pages a year.

They came as the Audit Commission, the NHS watchdog, yesterday attacked GP fundholding, saying urgent action was needed to cut its contracting costs.

The changes will remove some of the most fiercely competitive and bureaucratic elements in the new system, cutting red tape that has swallowed doctors' and managers' time in annual contract negotiations and in chasing up bills for treatment.

In the most important change, accepted by Mr Dorrell yesterday, the NHS is being told to move to longer-term contracts, cutting the time and effort need for annual negotiations and making it eas-

ier for hospital doctors to become involved in strategic changes to services.

The change should not mean "coincidence and collusion" but should produce the longer-term relationships seen in the private sector, in which "buyers work with suppliers to deliver improvements for customers," an efficiency scrutiny said.

Also, the system for extra-contractual referrals, where GPs send patients to hospitals with which they do not have a contract, is to be simplified.

The changes should cut £12m a year from the £22m system, giving patients "a swifter response", reducing delays in treatment and forcing health authorities and GPs to work more closely, the report said.

Another £18m should be saved by 1999 by changing the way GP fundholders contract with trusts, in part by automating invoicing.

That will cost up to £60m to install but should save about £30m a year; another £10m is to be saved by cutting the amount of information the executive collects from the NHS and the number of management letters it sends out.

Harriet Harman, Labour's health spokeswoman, said that the changes "lifted the lid on the mountain of bureaucracy in the NHS" but asserted that the package would cut only £40m from the £1.5bn cost of the internal market.

"Unless they change the system, their hopes of cutting bureaucracy are futile," she said.

Mr Dorrell said that the exercise would "streamline and strengthen" the contracting system while tightening up on the new management system, which even Labour frontbenchers agreed had needed to be strengthened.

Karen Cairnes, director of the Institute of Health Services Management, said the changes were welcome but "long overdue".



Buyer's market: Dr Tim Richardson at the Old Cottage Hospital, a fundholding practice in Epsom, Surrey which has introduced day surgery, physiotherapy, consultant out-patient appointments and an X-ray room. Photograph: John Voos

Sobering diagnosis of a difficult case

"A little disappointing," is the verdict of Chris Ham, Professor of Health Services Management at Birmingham University on the Audit Commission's report. "It feels as though it is addressing yesterday's questions, not today's."

Fundholding always generated more heat than anything else in NHS reforms. It has been seen as the catalyst which has led fundholders and non-fundholders to become involved in health-care commissioning, or as a costly and dangerous route to a two-tier health service.

For fundholding's evangelists, the report is sobering. Where fundholding works, it finds, it works very well; where it does not, it is ropy. And it is likely to be difficult and expensive to lift the worst to the level of the best. But the report has its limitations: for good and bad reasons, it did not compare fundholders to health-authority purchasing, or to any of the other models for buy-

ing health care that litter the NHS.

But it is no secret that health-authority purchasing got off to an equally slow start or that GP commissioning has low-water failures to match its high-water ones. In purchasing health care, everyone is at the bottom of a long learning curve. In addition, fundholding is changing. Its keenest advocates have moved on to total purchasing – buying all health care, not just waiting-list operations for their patients.

The way forward is not to attempt to abolish fundholding or to insist on GP commissioning but to find ways of making and taking the best of both, an approach to which the Government is slowly moving and which Labour would do well to adopt.

Nicholas Timmins



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New generation takes root in the cursed soil.



Revival meeting: A Hanukkah party in Berlin. The banner says: 'To Remember To Live' Photograph: Edward Serotta

Dani Metzger, the owner of Cafe Oren which plies its trade amid the ruins of Berlin's former ghetto, is as close to a German Jew as one can find this side of Golders Green. His parents fled to Palestine in 1934, but Mr Metzger has returned, married a German, and set up shop next to the once-sprawling complex that went by the name of the "New Synagogue" before Kristallnacht.

What is left of the building is now a museum, and Mr Metzger caters for visitors seeking to crown their guilt-ridden pilgrimage with a culinary feast. "The Germans think this is a kosher restaurant," he chuckles. Kosher it is not. What little Jewish flavour he can provide has to be imported.

This is a city that before the war was one of the main centres of Jewish civilisation in the Western world. Weimar Germany had 520,000 Jews, about a third of whom lived in Berlin. There are 10,200 Jews left in the city, roughly a quarter of the country's total population.

Very few of them are what used to be called "German



Jews", a species wiped off Germany's map by the Holocaust. You may find them at Crown Heights or in Tel Aviv, but not in Germany. The new denizens of the ghetto, living cheek by jowl with scruffy artists and techno-freaks, speak Slav languages and tend to be fourth-generation atheists.

"We are all survivors here," says Jerzy Kanak, director of the Jewish Community of Berlin. A Polish Jew in his 74th year, Mr Kanak lived through the Warsaw ghetto and the death camps and ended up in France, before wandering into Germany long after the war.

The older members of his community also hail from the occupied countries, but many settled in Germany not by choice, but because they had

Jewish Diaspora: In the third of our series, Imre Karacs looks at how an old way of life is thriving again in Berlin

nowhere else to go. This rootless mass of wounded humanity was threatened with extinction until the German government came to its rescue. By extending a welcoming arm to anyone in the former USSR who was able to prove Jewish ancestry, Bonn tipped the demographic balance.

The influx of new blood has been a mixed blessing. Less than half of the 40,000 immigrants have been recognised as Jews by the Halacha law, which requires proof that the applicant's mother was Jewish. Those who are accepted must traverse a multitude of cultural boundaries in one leap.

The new arrivals are mired in a ramshackle building next to the New Synagogue. The community centre, funded by the German authorities, arranges accommodation for the immigrants, induces them in the Western and Jewish ways of life, and helps them find jobs. Unemployment among Jews from the former USSR runs at over 90 per cent.

But the sheer force of their numbers is making a difference. Jewish life is taking root again in the cursed soil, spawning a new generation whose first language will again be German.

The entrance to the most potent symbol of Jewish resurgence is guarded by El-Al type security. Behind the shock-proof windows of the Heinz Gahnski school in a suburb of Berlin, 240 pupils are learning Hebrew, eating kosher meals and mumbling the long-forgotten prayers of their ancestors.

"We are a school with a mission," says Norma Drimmer, of the executive board of Berlin's Jewish Community. "You need a place where you can find your roots and feel normal."

The school, opened last September, was the first such institution to have been built in Germany since the war. But the building maintains a tenuous link with the past by incorporating a piece of wall rescued from the New Synagogue.

The biggest problem is keeping the Germans out. There is a long waiting list, and a quota

for Germans children, whose parents are prepared to pay up to DM400 in monthly fees.

It is a fitting tribute to the way way relations have changed. Anti-Semitism lingers, but on the list of "foreigners" Germans dislike most, Jews are at the bottom. "Federal Germany is not Hitler's Germany," Mr Kanak says. "The German people have in large part atoned for the crimes of the past."

The Jews of Berlin often find themselves leaping to the defence of their country. They have been in action again recently, condemning an American book which blames all Germans for the Holocaust.

Hitler's *Willen Exekutionen*, by Daniel Goldhagen, a Harvard assistant professor, has provoked a furious debate in the German press, but most of the vitriol has emanated from Jewish pens. "The major point Goldhagen makes is that German anti-Semitism was so vicious, and Germans had such

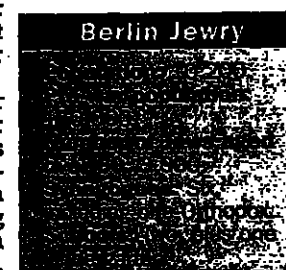
bloodlust, that killing Jews was something they did with great relish," says Edward Serotta, an American Jewish writer living in Berlin. "I myself side squarely with the great majority of American and

Israeli Holocaust scholars, who have dismissed the book as self-promoting and sensationalist."

The community also gives short shrift to members of their faith abroad who would prefer to limit the Jewish presence in Berlin to tombstones. When Ezer Weizman, the Israeli President, came here expressing incomprehension about Jews wanting to live in Germany, he was angrily sent packing.

"Many people in Israel ask why Jews are living here," says Mr Kanak. "There is no general answer... Everyone must give their own reason."

For Mr Metzger the reason is very simple: "Hitler wanted to eradicate all the Jews from Germany. If we weren't here, Hitler's dream of a Final Solution would have been fulfilled." Would he nevertheless prefer to live in America? "No way," he says. "America has enough Jews already."



Berlin Jewry

Windows 95

Still waiting for something better than Windows 95?

Here's something to read while you wait.

There's no hurry to buy. It's sure to be followed by a newer, shinier version. Windows 2000 has a kind of ring to it. There are bound to be a few little refinements they want to make.

Let them get their act together. That's strange. A lot of my business friends seem to have it already. Ah well. Fools rush in. They say the new operating system is easier, more intuitive. They say it recognises new software really easily. And hardware too. Plug and play, as they say. They don't know how they lived without it. They're so impressed with this 32-bit technology, it's clouded their judgement.

"98% of those using Windows 95 in organisations say they're satisfied?" Must! Corporate lackeys! I'm positive there's something better round the corner. I've read science fiction books. There are going to be computers connected to televisions that communicate via telepathy. So I can't see the point of diving in. OK. So there are better Internet abilities and better switching between applications. Bound to go wrong. They've got 20 million users already, apparently. But all software comes with a few problems.

OK. So they tested it thoroughly. A million testers, they reckon. The biggest pre-test ever, ironed out all the problems beforehand. My foot.

Must say, my business friends are doing very well at the moment. Productivity pay-rises and the like.

What was it they said? "Over three years, Windows 95 will save them £1,000" in management costs for every PC they run? But you wait. I'll have the last laugh.

Now they're offering a 30 day money back guarantee. What a give away.

You buy Windows 95 and if you're not completely satisfied, they'll give you your money back.

Do me a favour.

You know what will happen. Day 31, all the problems start.

Yes, I know what the Wall Street Journal said.

"After 6 months Windows 95 has proved itself a solid and reliable product."

But what does Wall Street know? Where is Wall Street?

And PC Magazine, that most respected and impartial of journals, says "When it comes to comparisons Windows 95 is in a class of its own."

I'll reserve judgement if it's all the same, thank you.

No harm in waiting.

You know, this daytime television's not so bad.

I certainly won't be calling for more information on 0345 00 2000; extension 193. But you might.

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SHORTS

RESCUED SHORTS
A group of 100 people were rescued after a boat carrying them ran aground on the coast of Sri Lanka. The boat, carrying over 500 people, was carrying 40 survivors and 21 bodies recovered. There's no word on the whereabouts of the others. Sources say the boat was carrying a mix of people, including some who were taken out of service by the Sri Lankan military. **Reuters — Dar Es Salaam**

RESCUED SHORTS
A boat carrying 10 people and getting three hours away from the coast of Sri Lanka, was rescued by the Sri Lankan military. The boat was carrying a mix of people, including some who were taken out of service by the Sri Lankan military. **Reuters — New Delhi**

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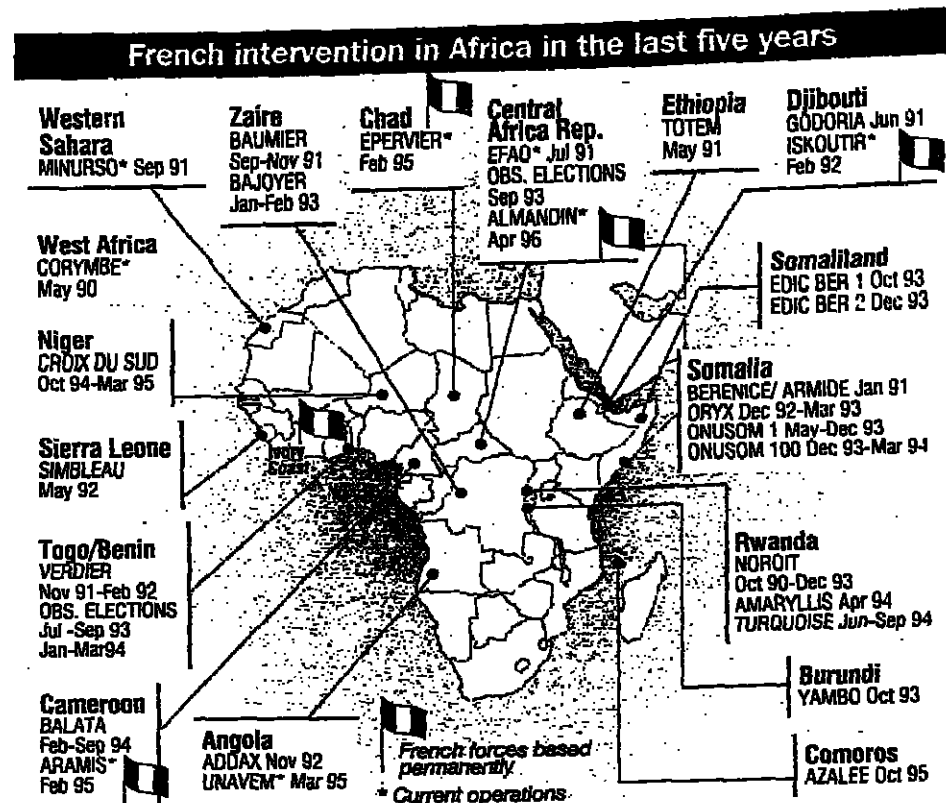
THE NEW G8 DIGITAL PHONE

Old imperialists forge African force for peace



Helping hands: A British soldier serving with the UN talking to a war-wounded boy in Angola

Photograph: AP



Christopher Bellamy reports on a new strategy for the continent as France intervenes in the Central African Republic

France and Britain are intensifying efforts to train and supply an African peace-keeping force following a series of crises in the continent which the international community has been unable to respond to with speed. The two nations have begun training African forces which took part in the UN operation in Angola and following a series of Franco-British and Western European Union initiatives they will be doing more. However, they do not intend to send their own troops on peace-keeping missions.

The latest French intervention in Africa, operation *Almandin* in the Central African Republic, began last month. On Monday, French troops in armoured vehicles moved into position in the capital, Bangui, to maintain security after moving 800 expatriates into French military bases. Two French soldiers were wounded.

Although France has intervened in Africa frequently in the past five years it has only done so in well-defined circumstances. French ministers are keen to reduce the burden of responsibility they feel for the continent.

The intervention in the CAR is typical of French policy to date - both its influence and citizens were at risk. In virtually all French-speaking African states there are thousands of French people working. The other factor which would trigger intervention, in addition to historic associations with an area, would be a UN mandate.

Operation *Almandin* and the intervention in Cameroon, operation *Aramis*, in February 1995, were purely French, as was the French intervention in the former colony of the Comores, *Azalea*, last October, and operation *Southern Cross* in Niger, from last July to December. Other operations have been under a UN mandate, like the French contribution in Angola, UNAVEM, from 1993.

France's approach to decolonisation has been more gradual than that of other Western countries, and France is the only one which has created an alliance with a group of developing countries in the Third World - the Francophone states of Africa. France has defence or military assistance agreements with 30 nations. It also has about 7,000 troops in Africa: 1,400 in the CAR, 3,400 in Djibouti, 880 in Chad, 630 in Gabon, 580 in the Ivory Coast and 60 in Cameroon.

While France has maintained closer links with its former colonies than Britain, both countries are now pooling their expertise to train an African peace-keeping force following a series of crises in the past five years in Somalia, Rwanda, Burundi, Sierra Leone, Liberia and, now, the CAR. The British aim is primarily to improve

regional stability, the French to also lessen the burden on French forces as they shrink in size, from an Army of 240,000 now to 136,000 in 2015.

The latest French government document envisages four mobile forces of about 15,000 troops each to operate around the world.

Franco-British co-operation to encourage an African peace-keeping force is based on the preventive diplomacy initiative, signed by the former Foreign Secretary, Douglas Hurd, and Alain Juppé in 1993; the Franco-British joint commission on peace-keeping agreed during President Jacques Chirac's visit to Britain last week; and the WEU mission to examine African peace-keeping.

The WEU team is expected to comprise five officers and visit Zimbabwe and Botswana as states where planning centres for the pan-African force might be set up. Britain and France are hoping to establish the Zimbabwean Staff College in Harare as a "regional centre of excellence" for operations.

As President Chirac said on 23 February, power projection is the priority for France's "classic" (conventional) forces. A key French government document, *A New Defence 1997-2015*,

The British aim is to improve stability in the region

emphasises the need to prevent conflict. This, it says, depends on intelligence and having equipment and forces in place.

The Franco-British proposals for a pan-African peace-keeping force envisage training centres to instruct troops and officers in the complexities of peace-keeping and intervention. Much of the French and British effort focuses on education and training, including the handling of refugees and setting up safe areas. Britain and France will not provide vehicles for the African force, but might sell them spare parts and provide instruction in maintenance.

Most problematic is to whom the new African peace force would report. The Organisation of African Unity (OAU) would be the regional organisation, but lacks the unity and expertise to command a major peace-keeping operation. The UN's experience in peace-keeping operations in general, and Africa in particular, also casts doubt on its suitability.

Diplomatic sources yesterday say they envisaged any future operation taking place under a UN mandate, but possibly controlled by the WEU and employing OAU members.

US nationals pulled out of 'a violent situation'

The United States has started evacuating its nationals from Central African Republic following an army mutiny, US Secretary of State, Warren Christopher, said yesterday, writes Christopher Bellamy.

Mr Christopher said the US was working with France, which has 1,400 troops in the country, to try to restore calm following Saturday's revolt against President Ange-Felix Patasse. The soldiers accused him of transferring the army's weapons to his Presidential Guard.

"It's a violent situation. We're concerned about American personnel and we're trying to do everything we can to ensure their safety," Mr Christopher said. Earlier yesterday a US plane landed Marines in the capital, Bangui, to help protect the US embassy.

The French Foreign Ministry denied reports that French soldiers had been killed on Monday. The French said their troops were still protecting about 2,000 French and other European expatriates.

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1935 Jesse Owens breaks five world records in 45 mins.

1967 John Lennon unveils his psychedelically decorated Phantom 5 Rolls-Royce.

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Arrest of judge's murderer deals blow to divided Mafia

ANNE HANLEY
Rome

Giovanni Falcone may have died in a Mafia ambush four years ago, but his spirit has not deserted Italy's forces of law and order. When the anti-Mafia judge's murderer, Giovanni Brusca, was arrested in a massive police operation on Monday night, he was engulfed in a television documentary about Falcone.

The arrest of Brusca, 36, and his brother, Vincenzo, in Agrigento dealt another blow to the Mafia which has been reeling since top bosses Salvatore Riina and Leoluca Bagarella ended up behind bars in 1993 and 1995 respectively. According to many mob turncoats, Brusca subsequently emerged as overall leader of the Mafia, but the in-fighting which accompanied the rise of this disciple of Riina is now destined to worsen as those still on the run battle it out for control. Investigators had been closing in on Brusca since the beginning of this year. In January he managed to flee a hiding place while police were preparing to swoop. Since then, evidence from Mafia turncoats and painstaking search operations, including a bug on a suspect mobile phone, have allowed police to remain close on

Falcone, his wife and three bodyguards on 23 May 1992. He is also implicated in the bomb blasts which rocked Rome, Florence and Milan in the summer of 1992, killing 11 people and wounding dozens more. But it was the killing earlier this year of 11-year-old Giuseppe di Matteo, son of a Mafia turncoat, that confirmed Brusca's reputation as the Mafia's most pitiless killer. Giuseppe was kidnapped by two of Brusca's men and kept prisoner for months, in what proved a vain effort to stop his father testifying. Another supergrass has since told investigators that Brusca strangled the child with his own hands, then had his body dissolved in acid.

Brusca is alleged to have strangled the son of a Mafia turncoat and had his body dissolved in acid

his tail. His exact location was discovered a week before the arrest, and 400 police officers were moved into the vicinity. Cash and jewellery worth tens of thousands of pounds were found with him.

Brusca has a special place in Mafia lore. Investigators believe that he pushed the button to detonate the explosion which killed the Sicilian mob's worst enemy,

From the Palermo hinterland, Brusca assumed control of the San Giuseppe Iato "family" from his father, the legendary boss Bernardo Brusca, and reached the organised crime outfit's top ranks through his faithful support, first for "The Beast" Riina and then Riina's brother-in-law, Bagarella, later.

His arrest is a coup for Italy's new government, which promised to renew efforts at fighting organised crime after being sworn-in last Saturday. To underscore the importance attributed to this issue, justice and interior ministers, Giovanni Maria Flick and Giorgio Napolitano, visited Palermo on Sunday in their first official outing.

Topping the Italian state's most wanted list after Brusca's arrest are Bernardo Provenzano, the most likely heir to Riina who has eluded police for 25 years, Pietro Aglieri, the killer who went underground in 1989, and Mariano Trivis, an up and coming boss who may well be prepared to challenge Provenzano's leadership.



In custody: Police wearing masks to hide their identity escort Mafia fugitive Giovanni Brusca yesterday from Palermo to a maximum security prison after his arrest on Monday. Photograph Tony Gentile/Reuters

Flames of race hate flare in the South

RUPERT CORNWELL
Washington

A senior Justice Department official yesterday promised to step up investigation into whether a concerted plot lay behind a growing number of arson attacks on black churches across the American South, which black community leaders insist is part of a new tide of racism sweeping the country.

At a hearing of the House Judiciary Committee, Deval Patrick, Assistant Attorney-General for Civil Rights, said federal agencies had found no evidence of a conspiracy behind the burnings - 60 such incidents across 10 states in the past six years, according to the count of one civil-liberties group.

But, Mr Patrick said, the department was investigating whether "any individual or specific group" was organising "this epidemic of terror".

Unarguably, however, the problem is growing rapidly worse, with 22 cases in the past six months, after a mere three or four a year on average at the start of the decade. Most have occurred in small towns.

The government's Bureau of Alcohol, Tobacco and Firearms (ATF) is investigating 25 burnings since the start of last year, in several of which arrests have been made and convictions secured. All of white males, some with links to the Ku Klux Klan. A group calling itself "Skinheads for White Justice" is, for instance, linked to a burning in Knoxville, Tennessee on 8 January this year.

Thus are the ghosts of racial oppression and civil-rights struggles past once again stalking the states of the old Confederacy, just as the region seeks to use this summer's Olympic Games in Atlanta to project itself to the world as a modern, emancipated and economically vibrant "New South".

The arson cases were "a haunting echo from our region's troubled past", the *Atlanta Constitution* newspaper wrote last month, before noting differences between now and 30 years ago, when churches, then as now the very glue of Southern black culture, were a prime target of the Klan and other groups fighting to maintain white supremacy.

"At the height of the resistance against civil-rights reforms, such domestic terrorism was publicly criticised but was

in fact accepted or condoned by a large portion of the white populace." Today, said the paper, those responsible were "extremist hate-mongers, whose philosophy would be rejected by nearly everyone ... their brutality speaks for no one but themselves."

And the apparent absence of a concerted campaign tends to support that view.

For much of black America, however, burnings are all too easily explained as a natural consequence to the thinly veiled racism that has crept anew into national politics - shaped by theorists on the conservative right, visible in the backlash against affirmative action, and fanned by the rhetoric of politicians like the commentator Pat Buchanan during the recent presidential primaries.

The civil-rights leader Jesse Jackson recently warned of how "the clouds are seeded with scapegoat politics" after visiting the ruins of one burned church in South Carolina, a reference to the growing readiness of the right to blame the black populace for most of the crime, violence and other ills that plague American society.

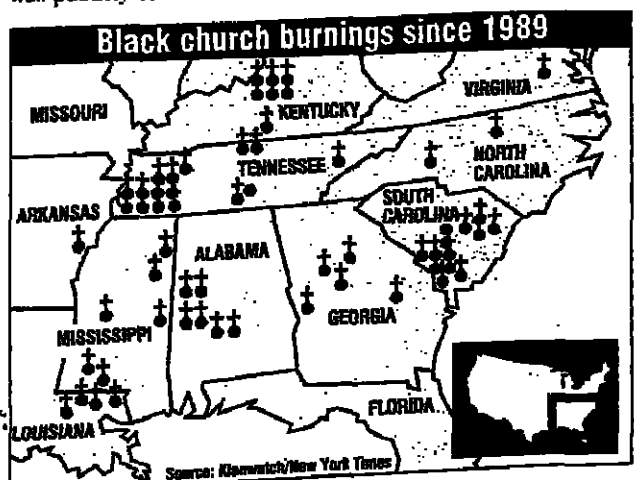
But the Clinton administration too has come under fire for dragging its heels on the church burnings.

Nor has it gone unnoticed that, while rushing to hold hearings on Waco and Ruby Ridge, two tragedies involving white isolationists and cult leaders who fell foul of the ATF and the FBI, the Republican Congress has waited for years before investigating terrorism against blacks.

"There is a disparity in the way justice is dispensed in this country," Representative John Conyers, leader of the Congressional Black Caucus, said yesterday.

The church burnings, one of them in Richmond, Virginia, barely 100 miles south Washington, are by no means the only evidence of sharpened racial tension in the South.

In a case which shocked the country in December, three white soldiers from the 82nd Airborne Division in Fort Bragg, North Carolina, have been accused of the wanton racial murder of a black couple as they walked down a street in the nearby town of Fayetteville. Nazi and white-supremacist literature were found in the quarters of one of those charged.



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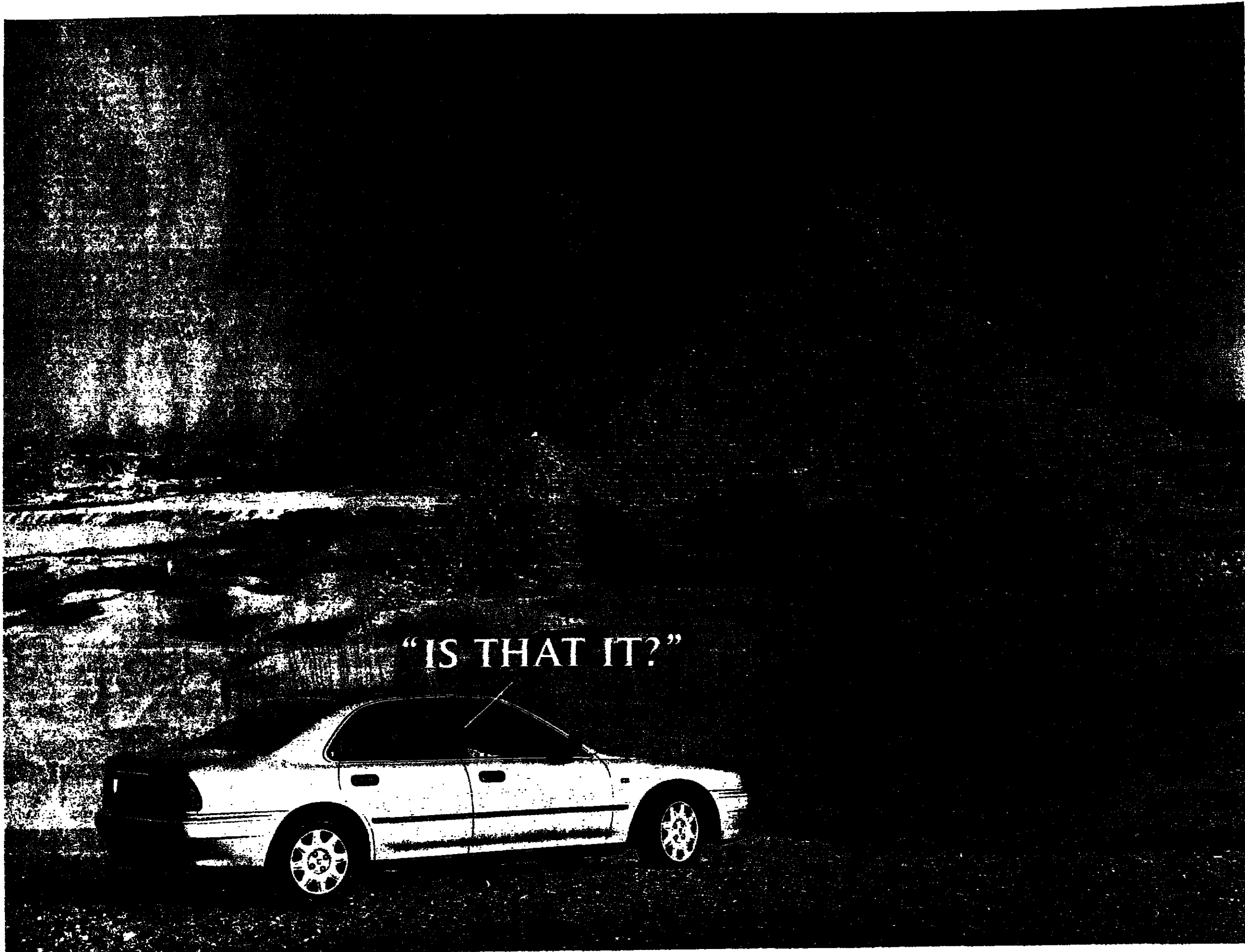


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مكتبة الامير

Major's EU work-to-rule puts us all in peril

The Prime Minister's threat to disrupt the EU until Britain gets its way on beef exports is wholly wrong. The ban on British exports has nothing to do with (mark his phrase) the "important national interests" of this country. The British work-to-rule in Europe will do nothing to help our beef farmers and beef traders. The threatened go-slow has everything to do with Mr Major's desperate need to appease the Euro-sceptic right wing, as much in the once-loyal columns of the Tory press, as in his own party.

The Euro-sceptics have as much concern for British trade and for British farmers as football hooligans have for football: their interest in this sorry affair is the political hooligans' tribal instinct for a punch-up with Europe. Now they have been given their way and as a result our relations with our European partners are in the utmost peril.

What exactly Mr Major intends to do is unclear. At a minimum, he will try to make a nonsense of the EU summit in Florence in June. At a maximum, Britain may try to block all EU legislation, even where a majority vote is allowed by the treaties. Mr Major's phrase "important national interests" is the accepted trigger for the use of Europe's ultimate deterrent, the Luxembourg Compromise, the politically accepted extra-legal right of national veto.

The last time Britain tried to use the veto to take legislation hostage was in

1980. We were roundly rebuffed. Imagine the response of the Euro-hating tendency if the same thing happened in this hysterical climate? We could then be on course for an escalating dispute. We could be facing the worst crisis with Europe since we joined the EEC 23 years ago.

The dispute desperately needs some proportion. Other European governments may have failed to grasp how explosive the issue had become in Britain. But British politicians and commentators have not grasped how difficult the Mad Cow issue has become for other Europeans. The continental beef market has been worse stricken by the BSE scare than the British market. Beef sales here are just 6 per cent down on last year. Sales of beef in France are down by 25 per cent; in Germany by 45 per cent, in Spain by 40 per cent and in Italy by 60 per cent. The Irish agriculture minister, Ivan Yates, spoke up in favour of Britain in Brussels yesterday, the only minister to do so. But he also warned that this was no longer a scientific matter but a question of consumer confidence. This country will only win back the confidence of European governments if we win the confidence of European consumers.

Consumers cannot be ordered to be confident. Even if their countries can be forced to import British beef, they cannot be forced to eat it. They remain deeply suspicious of our meat, however

irrationally (but who, after all the confusions of recent months, can say that it is irrational?). This is not one of those arcane EU arguments over levels of barley set-asides. In the eyes of European consumers, it could be a matter of life and death.

Given the British government's mad cow record of muddle, half-truth, bluster and incompetence, (matched at times only by the press, it has to be admitted) it is remarkable that as many as seven EU countries supported Britain in the chief vets' meeting in Brussels on Monday. When the issue comes to a special meeting of farm min-

isters next month, Mr Major's threats are more likely to damage our cause than win the day.

The way forward is not to bully and threaten. It is to mount a gigantic marketing and public relations exercise for British beef. But first we need a credible message to market. When Perrier water was found to have been contaminated 10 years ago, the French company took the drastic step of recalling and destroying every bottle in circulation, whether affected or not. Within two years, Perrier had returned to pre-scare levels of sales and respect.

We are not advocating the destruc-

tion of all British bovines. But a much bigger effort is needed to convince the world that BSE is being rooted out of British herds. At the same time, an independent international scientific investigation should be sought by Britain - presided over by the World Health Organisation - to re-state the safety of our meat.

So far the Government has announced a cull of all beef cattle aged over 30 months: the oldest animals in the business, those which have shown no signs of developing BSE, are to be incinerated. Meanwhile the calves from BSE-infected herds, which could be incubating the disease, are left in the food chain. A supplementary slaughter programme of first 40,000, and then 80,000, of the cattle most "at-risk" has been offered by the Government to win support in Brussels.

This is not enough. The Government must revert to its original plan to cull all beef herds where BSE outbreaks have occurred. British farms should be restocked from BSE-free herds abroad. Dairy herds could be exempt, so long as their calves are kept out of the food chain. The European Union should be prepared to put in hundreds of millions of pounds to help to compensate farmers for these extra losses.

There are three lessons from this affair. None of them should be new to the Government. The first is that consumer markets are sometimes irrational

but that doesn't mean they can be bucked. The second is that other countries have national anxieties and national interests which they cannot easily be bullied into abandoning. The third is that confronted with such a crisis the industry and the country desperately needs leadership to implement a strategy to put the industry back on a firm footing. Such a strategy is clearly available. It is a pity the Government prefers to try to bully and bluster its way out of the corner (it will fail) rather than adopt it.

Soliciting some serious money

The legal firm of Chadbourne and Park has done the case for a graduate tax, which we support, or repayable loans, as Labour proposed yesterday, no end of good, unwittingly of course.

According to their recruitment advertisements, solicitors can earn £700,000 a year, on a par with the top City traders. And what do they have to do to earn all this dosh? Project finance. Exciting it isn't but it earns even more than Mrs T Blair takes home from working the employment tribunals circuit. And with salary like that it would take just a week's work to repay what the average boozy student spends in a year.

LETTERS TO THE EDITOR

Need for worldwide health care

Sir: Save the Children welcomes the report from the World Health Organisation (report, 20 May), warning of the resurgence of old diseases and the emergence of new ones.

However, part of the problem is of our own making. The effectiveness of any treatment or preventative measure is only as good as the system that exists to deliver it. In our report entitled *Poor in Health*, (produced in April this year) we highlighted that almost one sixth of the world's population is excluded from any effective health care due to a lack of money to "run the system", and that the gap between rich and poor is widening in almost every country of the world. The rising problem of diseases such as cholera, diphtheria and TB in the former Soviet Union is a good example of the effect of collapsing health and other welfare systems rather than the emergence of new disease strains.

What is required is a complete revision of the way we share resources internationally, and a considerable increase in developmental aid that serves the interests of communities in poorer countries by addressing their needs, with them, rather than serving the political and economic interests of Western donor governments.

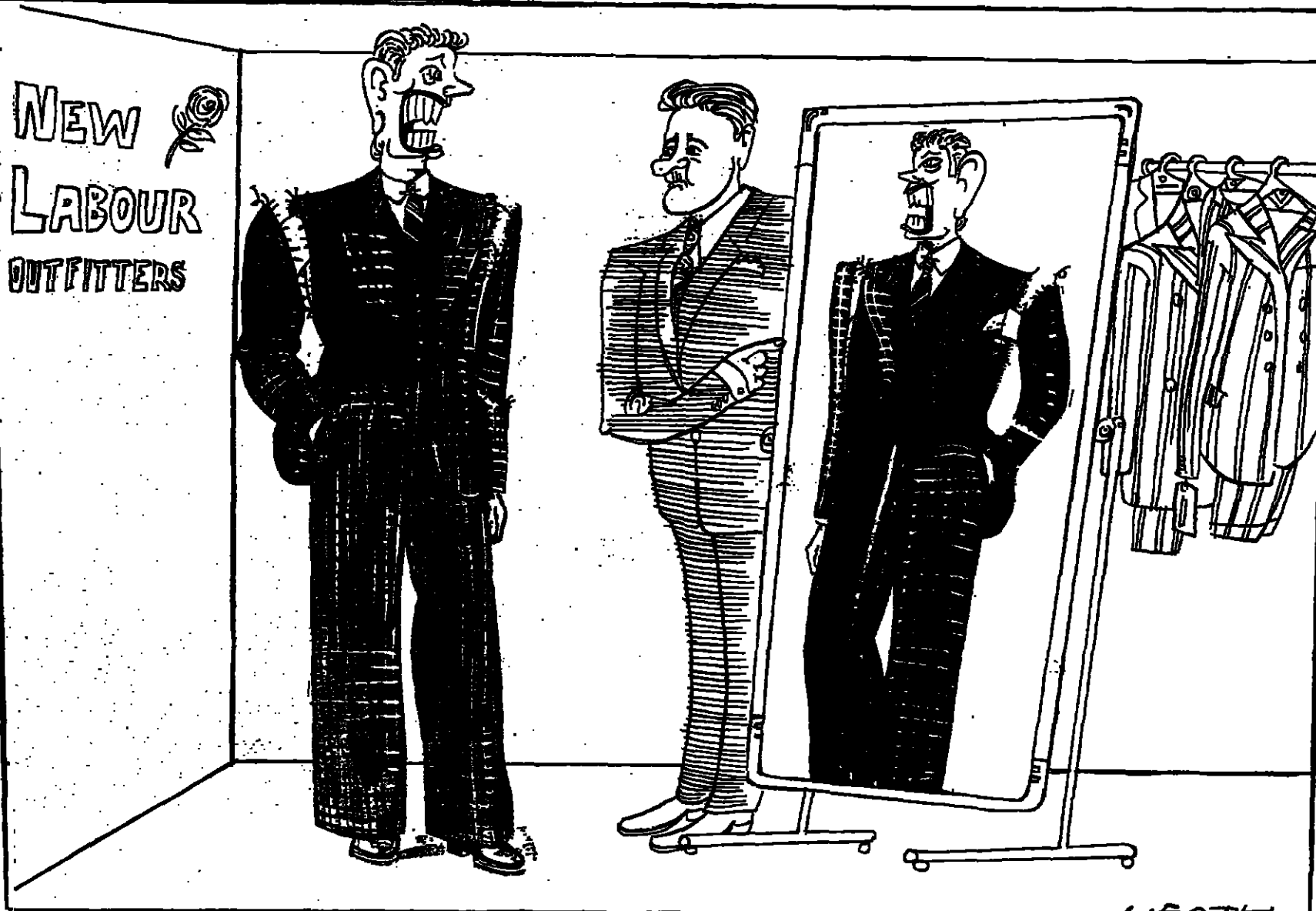
If we ignore the risks outlined in the WHO report, by failing to ensure that global poverty is addressed and that effective health care systems are available worldwide, we will eventually reap the rewards of that failure in the worldwide epidemics of diseases which are already beginning to emerge. Dr PETER POORE
Senior Health Adviser
Save the Children Fund UK
London SE5

Sir: The emergence of resistant bacteria has not been the only hazard resulting from the indiscriminate use of antibiotics (report, 20 May). It has also contributed to a steady increase in all kinds of virus diseases, many of them life-threatening.

Human bodies play host to - are symbiotic with - a wide variety of normally occurring bacteria which in their turn share their micro-environment in our tissues with smaller organisms, namely viruses. Thus there is in the healthy individual an equilibrium between these assorted bugs in, for example, the human respiratory tract.

When antibiotics are given, especially "wide spectrum antibiotics", many bacteria are killed off leaving the viruses - which are not affected - to proliferate unchecked. Anti-viral agents are few and tend to be very toxic. Dr H C GRANT
London NW3

Sir: The caption to the attractive photographic portrait of Sir Alexander Fleming ("The waning of the antibiotic age", 21 May) might have mentioned that the Nobel Prize was shared with Chain and Florey. A distinguished pathologist once summed up the contributions of those three scientists thus: "Without Fleming there would have been no Chain, without Chain there would have been no Florey, without Florey there would have been no penicillin". Professor N KURTI
Department of Physics
University of Oxford



Lessons from Pope Gregory

Sir: You report ("Anglican service hears Muslim preacher's plea", 20 May) that a Muslim has preached in the chapel of Selwyn College, Cambridge, on the common ground between Muslims and Christians. This prompts me to acquaint your readers with a letter written in 1076 in the same spirit, by Pope Gregory VII. To a Muslim king in North Africa he wrote:

Your people and ours owe each other a debt of mutual charity, beyond even the debt we owe to all peoples, since both of us believe in and worship the same God, albeit in different ways. The king had shown tolerance and encouragement to his Christian subjects, released prisoners, and sent a candidate for ordination, said, were clearly divinely inspired. Alas, only 15 months earlier Gregory had felt compelled to write to the Christian Emperor in Germany with news of "unheard-of slaughter" of Christians in the Byzantine empire, slaughter which, the Pope feared, might annihilate Christendom altogether in those "overseas" parts.

The facts were that in 1071 the Seljuk Turks, relative newcomers to Islam, had understood its message in more militant terms, and invaded and conquered most of Byzantium's Asian "home counties" (in what is now Turkey). There was no assurance at all that Byzantium itself would hold out. So Gregory's letter to the German emperor urged co-operation in a major military expedition to the East. Domestic troubles held up the

expedition for 20 years, but it resurfaced in 1095 as the first crusade. There seems to be a lesson in these events.

ALEXANDER MURRAY
Tutor in Medieval History
University College
Oxford

Sir: The first British Muslim to preach at an Anglican service is certainly not Akbar Ahmed of Selwyn College.

On 5 November 1995 Saba Risaluddin spoke at Eversong at Downing College, Cambridge. She is a founder-trustee of the Calamus Foundation, a registered UK charity dedicated to promoting a balanced image of Islam and to fostering understanding between Muslims, Jews and Christians.

BRUCE KINSEY
Chaplain and Fellow
Downing College
Cambridge

Standards in local government

Sir: You falsely allege a dirty tricks campaign by me as Leader of Hackney Council (report, 17 May) which I find extremely surprising. The chief executive never advised me that Councillor Linda Hibbert was an inappropriate candidate for mayor this year. That was my political judgement based on all the information available to me, including the telephone conversation I had with the chief executive on 3 May.

A full and open debate on those concerns would have taken place on

7 May at the Hackney Labour Group annual meeting. But it was boycotted by the very people alleging dirty tricks by me against their candidate. The democratic rights of Labour-elected councillors to decide who should hold civic office were denied by that group, currently being investigated by the Labour Party's National Executive Committee.

I am confident that no amount of misleading media coverage fed by those under investigation will detract the Labour Party from ensuring that the highest standards of probity and integrity are sustained in local government.

NICK TALLENTIRE
Leader of the Council
London Borough of Hackney
London E8

Sustaining the Millennium

Sir: The present concept of a £40m Millennium Exhibition of UK goods to be co-funded by government and business ("An Exhibition of ourselves", 17 May) appears to be floundering. Perhaps a less ambitious exhibition of "Sustainable Futures" could be held instead in temporary accommodation in Hyde Park, the site of the 1851 Great Exhibition.

Industry, local authorities, government departments, charities and individuals would be invited to submit ideas and concepts for sustainable futures. These might include electric cars, tele-working, recycling opportunities, plans for biodiversity, systems for low input

farming, sustainable development systems for Third World countries, policies for full employment that do not rely on economic growth, and so on. Since this exhibition could be staged for a fraction of the cost of the proposed Greenwich exhibition, 50 per cent funding for worthwhile projects could be provided. This funding could give many "seed corn" ideas the necessary impetus to be developed and give them the showcase that such an event would provide.

A Sustainable Futures Exhibition could act as a focus for sustainable world development, with John Major's commitment to the Rio Declaration being confirmed, and concern for our less successful Commonwealth countries firmly established.

It could give British innovation and industry an incentive to look ahead and establish new products for the next millennium, when the world's increasing population will have to tread more softly upon the earth.

ROBERT PRINGLE
Aberdeen

Sir: Perhaps we could consider a suggestion from the present science fiction writer, Arthur C. Clarke, who first proposed the use of geo-stationary communications satellites.

His novel 2061: *Odyssey Three* was published in 1987 and represents the second sequel to 2001: *A Space Odyssey*. In an early chapter, he writes: "With the historic abolition of long-distance charges on 31 December 2000..." (he got the date right, too!) "...every tele-

phone call became a local one, and the human race greeted the new millennium by transforming itself into one huge, gossiping family."

This seems like a suitably noble enterprise: British Telecom, Mercury and others, please note.

IAN QUAYLE
Helenburgh,
Strathclyde

Sir: One aspect of the approaching new millennium that has not been aired is the question of how dates in the new era should be referred to in speech.

"Two thousand and one" is long-winded enough, but it will get worse when we reach (say) 2027. What happened last time around? The Battle of Hastings was fought on that memorable date, "ten six-sixty-six".

Should we not therefore speak of "twenty-oh-one"? Admittedly "twenty hundred" will initially sound rather strange. Perhaps the Millennium Commission can manage to reach a decision on this one at least.

JOHN SMURTHWAITE
Leeds

Hidden entry fee

Sir: Congratulations must go to the head hunches of the Victoria and Albert Museum for successfully burying their greatest crime - the £5 entry fee - behind an architectural facade ("Five-a-head to visit 'exploding' museum", 18 May). Well done lads! FEARGHAL MCKAY
Dublin

Overreaction to the Internet

Sir: In his comment on the trial of the murderers of Daniel Handley, David Aaronovitch suggests several steps that could be taken to protect our children (17 May). Among them is: "Clean up the Internet".

This is despite the fact that the murderers, Morris and Tyler, are a couple of life-long misfits who met while in prison for previous offences against children, where they fuelled one another's depraved fantasies. One of them is reported to be educationally sub-normal and it is highly unlikely that either of them knew how to surf the Net or had access to it.

Horrible though this case is, I am not aware of any suggestion that the Internet played a part in it, either by enabling the two to contact each other, or by stimulating them with pornography.

People like myself in universities or industry whose work depends crucially upon the easy access to a wide group of colleagues at home and abroad that only the Internet can provide, are concerned that government overreaction can lead to severe restrictions for legitimate users of the Internet, as has already happened in France and Germany.

This type of hysterical knee-jerk reaction is not a constructive contribution to public debate on the management of electronic communications.

PETER MELLOR
Centre for Software Reliability
City University
London EC1

Cost of Railtrack

Sir: Sir George Young is wrong to claim that the Government has opened or reopened 220 railway stations since it came to power (report, 20 May). Most openings have resulted from local initiatives paid for by local government, a process that is now being undermined by privatisation.

Cam and Dursley station, on the main line between Bristol and Gloucester, was built in 1994, before the split-up of British Rail, for approximately £500,000. A similar station at Ashchurch necessarily involves Railtrack and the price has doubled to £1m. It was due to open last year but construction has not yet begun.

As local government funds are severely limited this hike in costs will mean fewer stations are built. DR CLIVE MOWFORTH
Spokesman
Coaley Junction Action Committee
Dursley, Gloucestershire

Memories of 1815

Sir: I may be able to equal the Rev Christopher Martin's story (letter, 19 May). In 1956 I accompanied my father, a solicitor, to see a client, Alexander White, in Winchester. My father told me on the way there that the client was an elderly gentleman, then in his mid-eighties, whose father was 72 when he was born, so that his father had been born in the opening years of the 19th century.

I asked Mr White what was the earliest recollection of his father. To my astonishment Mr White proceeded to tell me how his father had described to him the homecoming of the soldiers after their victory at the Battle of Waterloo in 1815.

DAVID ASHTON
Severna Park,
Kent

the commentators

A popular priest to incense the fogey brigade

The new Archbishop of Liverpool will not fit easily into media pigeonholes, says Paul Valley

The eccentric author Alice Thomas Ellis was the only Roman Catholic invited by Radio 4's *Today* programme to comment yesterday on the appointment of the new Archbishop of Liverpool. Given the outrage this traditionalist writer has provoked with her rebarbative criticisms of the previous incumbent, the late Derek Worlock (whom she dismissed as a disastrous progressive), it was an uncharacteristic lapse of judgement to broadcast her views unchallenged.

But it was an illuminating insight into the extent to which the media have fallen for the bogus notion that the Catholic Church here is riven by a civil war between conservatives and progressives. The appointment yesterday of Patrick Kelly, Bishop of Salford, to the Liverpool post reflects a different reality.

Intriguingly, Dr Kelly had immediately been dubbed a "conservative" by the media. Presenters on Radio Merseyside even began to ask whether the appointment was a rebuke by Rome. Nothing could be further from the truth.

Certainly the new archbishop is doctrinally orthodox. But then so was Derek Worlock: you don't get to be a Catholic bishop in the UK without playing by the rules. Certainly he is a traditionalist, but one who, in the words of a senior theologian, "believes in a living tradition which is in touch with the reality of the world around it".

Dr Kelly's Salford diocese has, under his tutelage, enthusiastically embraced ecumenism, inter-faith dialogue and new methods of religious education, all of which are anathema to Alice Thomas Ellis's incense and Latin brigade. It has also taken to the social justice agenda which the Pope insists is central to modern Catholicism. In Salford Patrick Kelly's public pronouncements have included denunciations of the impact on the poor of the Government's confused handling of the economy, of the privatisation of prisons, of the lack of progress in converting the arms industry to other uses, and of the neglect of the Third World in general election manifestos.

He has been in charge of the English bishops' foreign affairs policy. He also flew to Singapore to defend members of its Justice and Peace Commission against charges of subversion and to testify that their actions

were in line with Catholic social teaching. He has protested personally to the French ambassador over nuclear tests in the Pacific and has travelled widely in Latin America, to which he posted Salford diocesan priests.

Yet no one has accused his social action of being politically rather than theologically grounded. A scholar who reads the New Testament in Greek, he is considered to be an able theologian. He taught dogmatic theology at the seminary at Oscott of which he was rector and was secretary to the Bishops' Theology Conference.

It is learning worn lightly. Warm, kindly, authentic, holy but down to earth are the epithets used of him. The files of the Catholic press are full of photographs of him with children, the handicapped and the elderly. He has a touch of the cheery chaplain which Liverpool will love. His first Salford diocesan year book pictured him on the cover not in episcopal regalia but in his shirtsleeves. He is an unstuffy man; at conferences he is unafraid to whisper questions to his neighbour.

Generally less autocratic than Archbishop Worlock, he is none the less his own man. He has shifted the traditional order of the sacraments for children in Salford: confirmation comes before confession and communion. He alters liturgy, sometimes significantly changing it, as for the needs of handicapped children, sometimes singing the whole canon of the mass - in English, the fogies will be sad to hear. He can also be firm on matters of doctrine. He sent a group of would-be Anglo-Catholic converts off with a flea in their ear, telling them there was more to Roman Catholicism than being anti-women priests.

Many will try to read the runes in the Vatican's decision. Has the youthful Bishop Vincent Nichols been passed over? Or is he being kept to take over from Basil Hume in Westminster? Or will the Pope refuse the Cardinal's oft-offered resignation until after the millennium? There are too many variables to predict. But in one respect the message from Rome is clear: "Carry on, you're doing fine." There is not much of a story in that, of course. But then we can depend on Ms Thomas Ellis to supply one.

The author writes a column for *The Tablet*, the leading Catholic journal.

How long before Howard's prisons burst?

The pressure is increasing as more offenders are jailed and help for prisoners and their families is cut

Up again, up it goes. Yes, yet again this week the prison population has risen to record heights - 54,393 and still rising. Prison officials and many inside the Home Office look on aghast, watching Michael Howard blowing up this balloon and waiting to see when it will finally burst in his face.

With each puff the inevitable crisis draws nearer. The extra 700 prisoners each month cost another £1m - and this is before Howard's new sentencing policy takes effect, adding another 30,000. At the same time 2,800 jobs in the prison service are being cut. Three hundred prison teachers have been sacked and education has been cut by 80 per cent in some jails. Tough new security measures, rigorous searches, restrictions on visitors, a 40 per cent cut in home leave - puff, puff, puff. Everything that keeps prisons calm along with everything that might prevent reoffending is being blown away.

Here is the latest puff on the Howard balloon: the Home Office has withdrawn the last grants from a host of prisoners' families organisations - local self-help groups that struggle to keep inmates in touch with their families. They are not run by professionals or by the usual volunteers but by tough and resolute prisoners' wives who might have walked straight out of a Linda La Plante script.

One of the oldest, the Prisoners' Wives and Families Society, is about to collapse after 20 years. Most of the others doubt they will exist this time next year. The few charitable trusts that give to criminal justice

causes have been exhausted. Charities, rightly, are unwilling to pick up a bill the Home Office has thrown down.

In a recent Home Office report, research showed that prisoners were six times more likely to offend again on release if they had no family to return to. Fathers' determination to stay with their children is often their most solid reason for not risking going back inside. Boys cast out by parents have little hope of salvation.

This sounds like boring common sense. It sounds like an observation you would expect from a government committed to family values - the healing power of family proven beyond doubt. The repentant father returning to the bosom of his forgiving wife and children - a classic Victorian moral tableau. Plainly, though, the Home Secretary does not see it this way.

Pauline Hoare, who started the Prisoners' Wives and Families Society, talks of her own experience: "I lost my job as soon as they found out my husband was inside. Friends stop talking to you and even your family can turn against you. The children can turn disturbed, especially if their mother is getting no help and takes to tranquilisers. You don't know where to turn and no one tells you anything. With no money, you don't know how to visit a prison far away. Everything pushes you to abandon him." Groups like hers run hostels for families visiting from far away, they give welfare advice, run visitors' centres at prisons and offer cheap minibuses to distant jails.

It is surprising that so many women do manage to stand by their man in



POLLY TOYNEBEE

'Everything pushes you to abandon your husband'

jail, against all the odds. These mutual self-help groups have kept many marriages going, but now most groups are on the verge of collapse. The Home Office funding was anyway pathetically small, usually around £10,000.

"Now we get sod-all from the Government," says one wife who works at Help and Advice Line for Offenders' Wives (Hallow) in London. She adds wryly: "We are not exactly people's favourite charity." They run minibuses for families who would never otherwise get from London to Long Lartin or Dartmoor, and they escort children to see mothers in jail. Eight full-time volunteers - no one is paid - do all the work but now they can't pay their phone bill and may soon have to close. The sums of money are tiny - a Birmingham group of Hallow helped 14,000 families last year on a budget of £35,000. They will shut down in

December, now their Home Office funding has been withdrawn.

The Prisons Minister, Ann Widdecombe, writing to a Labour MP admits, family contact is often crucial to prisoners' rehabilitation, "reducing the risk of reoffending". All the same, she writes that there will be no "further assistance to family support groups known to be in crisis funding... Constraints on the Prison Service budget rule out the possibility of providing at present further assistance from central funds."

This is not a bleeding heart story about the rights of prisoners and their families. This is not about being soft on criminals. It is about the crime rate and how to reduce it. Most crime is committed by a small number of men who do it over and over again. So the best hope of cutting crime is by making it as unlikely as possible that the same criminal will offend again. How? There is no great mystery about it. There is a fashion for assuming that nothing works: crime either burns itself out as people get older or else criminals are beyond redemption. This is expensive and unnecessary defeatism for there is plenty of research to tell us what works best - but all of it is being ignored by the Home Secretary.

Keeping criminals bonded to their families is one proven way of increasing the chances of success. The lowest reoffending rates are among those who have been sentenced to the best run and most intensively educational community programmes. Keeping people at home with families in the

real world and, if possible, in their jobs is the best indicator that they will go straight. (It also costs one-twentieth the price of prison.) Once in prison, effective education and training makes a crucial difference. So does the kind of tough psychology called "challenging offending behaviour" - teaching anger control and changing criminal attitudes.

Michael Howard ignores all the available facts. Instead he keeps on blowing into his balloon. Instead he locks more men into cells together, hardened old lags cheek by jowl with first timers, with no treatment, no education, nothing to do all day except take drugs, fight and bully each other. Every opportunity to seize hold of them and change their lives is discarded in a wanton destruction of the hope of rehabilitation.

One of the prisoners' wives says: "No one wants to know. Out of sight, out of mind. Try raising money from the public for a cause like ours. It's hard. The Home Office seems to think we should abandon our husbands and if we don't, then we must be guilty as well."

No one in a responsible position is in the business of predicting riots - publicly. Howard's new security regime has been good at preventing trouble in prisons in the past 18 months. But whispering it quietly, insiders say it takes only the slightest and most unpredictable spark. Problems over prison visits, for instance. Who knows? Michael Howard is blowing hard and those watching fear a big bang before long.

Labour's plan for higher education loans is not as equitable as a graduate tax, says Yvette Cooper

Why students should pay fair

Labour stuck its head above the higher education parapet yesterday - a brave thing for a political party to do. Everyone from the vice chancellors to the National Union of Students, from parents to politicians, agrees that the current system of funding post-compulsory education is an abysmal mess: there isn't enough cash to fund expansion, incentives for teenagers to stay on need to be improved, and the distribution of the taxpayers' subsidy is completely unfair.

Many will try to read the runes in the Vatican's decision. Has the youthful Bishop Vincent Nichols been passed over? Or is he being kept to take over from Basil Hume in Westminster? Or will the Pope refuse the Cardinal's oft-offered resignation until after the millennium? There are too many variables to predict. But in one respect the message from Rome is clear: "Carry on, you're doing fine." There is not much of a story in that, of course. But then we can depend on Ms Thomas Ellis to supply one.

So far, David Blunkett accepts that the taxpayer should continue to fund higher education fees. But student maintenance is another matter entirely. In place of the existing mish-mash of parental contributions, means-tested grants and student loans, students would take out a new, improved, bigger-than-ever loan. It would be repaid over 20 years - possibly through the National Insurance system. Mature students could, perhaps, save towards their maintenance through Labour's individual learning accounts. Sir Ron is charged with making the system progressive - and in particular with ensuring that people on long courses, such as doctors, are not penalised.

Whether or not students should pay interest on the loans remains for Sir Ron to resolve. Labour hopes private finance could be mobilised to finance the loans (despite the Government's inability to get the private sector involved in the



Students graduating at Warwick University: the next generation faces decades of repayments Jacky Chapman/Format

existing student loan scheme.) Of course, Labour has left much still to be considered, but its broad outlines represent a dramatic step in the right direction.

In an education system strapped for cash, politicians need to find new ways to fund the further expansion of universities, and other investment in human capital. Getting the students themselves to contribute is as good a means as any - even if the returns may take many years to accrue. The party claims £1bn could be liberated from paying student grants. But students would need to be paid their loan up front. Savings in the short term would depend on whether or not the private sector could be mobilised to finance the loans instead.

Labour's proposed reforms may encourage more teenagers to stay on; repaying a loan over 20 years is less daunting than over five - as the current student loans system demands. And anything that shifts the burden of finance away from parental contributions towards

students themselves is a good thing: no teenager's decision should be affected by what their mum and dad can afford.

There is a progressive principle involved here, too. At the moment, the taxpayer invests most in educating those who will eventually become the highest earners, thanks to their qualifications. True, society and the

and hence improved future earnings, of her more academic peers. Arguably, a really radical and progressive government would make students pay back some of their fees too, and use the money to expand vocational education instead.

But the big problem with a crude loan arrangement is that everyone has to pay back the

Students would know what the cash was spent on: they'd count the hangovers

economy benefit from having large numbers of graduates, but individuals also benefit. Graduates earn considerably more than their unqualified peers. Financial advantages continue through their lives because employers tend to train and promote those who have already been privileged in education.

It hardly seems fair that, today, a taxpaying, hard working 18-year-old effectively subsidises the higher education, same amount, despite the fact that the personal financial return people gain from education varies dramatically. The teacher on £20,000 a year has to pay back the same amount as the investment banker on £50,000. Sure, that teacher could pay the money back more slowly if she wanted too - but in the end she would still have contributed a much larger proportion of her life-time earnings than her more highly paid contemporaries.

There is an additional unfairness in all of this, namely that some of the most poorly paid graduates contribute most to the community, something the loan system does not take into account. For example, the benefits to the rest of society from educating the teacher are far greater than from educating on the investment banker, yet the loan system would treat them in the same way.

Labour is concerned about the fairness of the new funding arrangements that it has proposed and has asked Sir Ron Dearing to consider ways in which the repayments could be made progressive. One option might be to waive interest payments for the low paid. Alternatively the state could help pay back the loans of people going into key occupations that have a long training period such as doctors. Perhaps parents staying home bringing up children could also be excused some part of the repayment.

But all these arrangements seem unnecessarily compli-

cated when compared with a simple alternative that Labour seems keen to rule out. It would be fairer to have a graduate tax (those squeamish about the word "tax" could call it an income-contingent-education contribution). Paid also through the National Insurance system, perhaps also for 20 years, this could be set at, say, 1-2 per cent of earnings, and it would be no more complicated to administer than loans.

This scheme would at least attempt to reflect the fact, albeit crudely, that graduates gain very different individual benefits from third-level education. People would pay money back in proportion to their earnings - investment bankers would pay more in total than teachers. And the children of rich parents who might otherwise have paid their loans off at once, would still have to contribute alongside those struggling to pay the whole bill themselves.

It all sounds very fair, and relatively easy to administer. So why is no one talking about it? It's easy to see why the politicians aren't happy with the idea - it sounds too much like a tax. But no one else seems to be embracing it either.

The hard truth is that in a climate in which people distrust the ways politicians and government bureaucrats spend their money, loan repayments appear to enjoy greater legitimacy than a graduate tax. Rather than paying more into a nebulous graduate tax fund run by faceless Treasury officials, individuals would have to pay for their own consumption. Students would know exactly what the money was spent on, in fact they could count the hangovers. As a result, the theory goes, it would be easier for us to accept our obligations to pay the money back. Loans encourage the idea that we must take personal responsibility for investing in our own education.

Every party is now moving towards the notion that we each have an individual contract with the state, and away from the idea that we must contribute without question, according to our ability to pay.

This is all very well. But it should not obscure the risks: under the loan system Labour advocates, fairness could be compromised. That is the price of giving the new arrangements legitimacy.

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The Net must spread more widely to include the poor

The Internet, they say, is inherently democratic because it is not controlled by anyone and is on offer to everyone. The reality, however, is that as the world is reshaped by computers, whole countries, even continents, are being excluded. "Open access" depends on your ability to pay and for the world's poorest, that makes it far from accessible. The technology gap is so wide that half of humanity has never made a telephone call. If information technology is to have a liberation influence, it has to be more than available - it has to be affordable.

A recent UN survey concluded that

more people need to be educated in the next 30 years than have been educated up to this point in history. It is also the case that of 44 African countries, one-third cannot communicate with the WHO Centre in Brazzaville, Congo. The development of the Net and especially the World Wide Web could mean that all the information available to us in the industrialised world could be accessible in the developing world.

At this month's G7 conference in Johannesburg on information technology and the developing world, South Africa's deputy president, Thabo Mbeki, reminded us that there are more telephones in Manhattan

ANOTHER VIEW
Glenys Kinnock

than in all of sub-Saharan Africa. New communication opportunities offer enormous potential. For instance, during the ebola virus outbreak, contact between the Zaireans seeking information of cases in the copper belt in Zambia was made possible by the Internet. The level of need can also be illustrated by the difficulties that are often encountered in getting information. An SOS from a doctor in Mozambique, asking advice following

a cholera outbreak, did not get a response for eight months.

Multi-media software opens up new possibilities for people everywhere to connect with the information they need. Schools in rural areas of Africa could gain access to the resources of non-governmental and government agencies at a fraction of the cost of updating, publishing and distributing text-books. Schools could be used for adult education and be available as a resource for groups in the wider community - for example, farmers wanting to sell their produce to city firms. In short, the Internet is not a luxury but a requirement.

The gap between information-rich and information-poor could widen still further the economic gap. The G7 conference, with the full participation of the European Union, has been exploring how everyone can benefit from the possibilities that information, and the power it brings, can offer. The global information society could be one in which, for the first time, we include the developing world in the progress we are making. The super-highway should be open even to those people currently confined to dirt tracks.

The writer is a Labour member of the European Parliament.

سكنا من الاصل

His films are acclaimed around the world. So why do we find Mike Leigh so hard to love?

By Marianne Macdonald

There is an unforgettable scene in Mike Leigh's *Life Is Sweet* where Aubrey, a posturing and overweight sous-chef, decides to open the Regret Rien restaurant in an Enfield shopping parade.

With great concentration, he decorates it with weird and witty items, lovingly concocts a menu of tripe soufflé, king prawns with jam and grilled trotters on eggs-over-easy, and throws open the doors. And when nobody comes in he destroys the place in a fit of self-pity which we know, even before he has finished, he will regret.

Aubrey is almost certainly an indifferent cook and Mike Leigh a film-maker of genius, but there are parallels between the creator and his victim. For the 53-year-old Leigh approaches his work with an intensity that can curdle into morbid destructiveness if events do not go to his liking. The stubborn individualism that is the hallmark of his style has long denied him the kind of recognition he finally won on Monday night, with the award of the prestigious Palme d'Or at Cannes.

But his individuality is also the reason why he has achieved greatness in a way that most of his contemporaries have not. Leigh has always been as unrelenting in his rejection of conformity as in his determination to direct films; usually not a good combination. School reports at Salford Grammar noted his offensive "individuality": his headmaster summed up one term's work with the remark: "This is a sorry business." With just three O-levels Leigh went to RADA in the face of his father's disdain for "the moonings of a stage-struck girl". But there, too, teachers deplored his "impertinent" attitude; and he would go on to offend powers in theatre and television by cancelling commissioned productions because he had not been given enough rehearsal space, or (at the Royal Shakespeare Company) sole access to the actors' time.

But it would be unfair to

blame Leigh's quirks entirely for his slow rise to fame. In the early days, his innovative techniques - initially working without a script, and shaping plot and dialogue through extended improvisation - confused the theatrical world. When his plays did have a script some people refused to believe it, assuming their inarticulate dialogue (not unlike Beckett's, a seminal influence) was last-minute improvisation. Others took offence at Leigh's perceived condescension; those attacks on his work came to a climax when Leigh's first popular success, *Abigail's Party*, was watched on BBC2 by 16 million viewers in 1977.

For those who have not seen it, *Abigail's Party* follows an evening in a Rousford front room. Beverly, a make-up artist, is hosting a party for four neighbours. Two are taking refuge

from the party of their teenage daughter, Abigail, over the road. Beverly is deeply sad, like most of Leigh's characters, but hides her desperation under chirpy chat. At one point she is presented with a bottle of wine and she unwraps it: "Oh lovely! 'Cos Laurence likes a drop of wine, actually. Oh it's beautiful. Fantastic! Won't be a sec, I'll just pop it in the fridge."

It was this social solipsism which fired the row over Leigh's disdain, not helped by the fact that Beverly's chat, later replicated by the same actress and Leigh's wife, Alison Steadman, in *Life Is Sweet*, was studded with cosy words such as "little" ("Tune, d'you fancy a little dance?" "Now, can you take a little bit of criticism?"). The late Dennis Potter led the attack, condemning the play as "a prolonged jeer, twitting with genuine hatred, about the dreadful suburban tastes of the dreadful lower middle classes". For a time, the issue dominated the

letters pages of the *Times*, where readers argued over whether red wine should be chilled. Beaujolais in Rousford hasn't been the only source of controversy in Leigh's work. Like LS Lowry, another famous Salford son, Leigh's canvas is the working class, and his locations are theirs: bedsits, council estates, pubs, caravans, shoe shops. He transmutes domestic drama into painful tragedy and grotesque farce.

But the corollary is that middle-class commentators, critics and film-makers often do not know what to make of Leigh. These critics found it at worst disturbing and at least politically incorrect to enjoy watching his portrayal of hell in the suburbs. And although (thank heavens!) they could not be accused of the lower-middle-class lapses of his characters, was there not some reproach aimed at them?

Timothy Spall, who played Aubrey in *Life Is Sweet*, has this to say about Leigh's talent: "His area is the glory of everyday nothingness which he elevates to great drama. The minutiae of people's lives becomes of the utmost importance. And the people of his films are never seen anywhere else, except when they are destroyed in the tabloid newspapers or in patronising documentaries."

Leigh's lethal curiosity about character appears to have been evident from an early age. Initially it was fostered by visits to his paternal grandfather's business, where Mayer Lieberman, a Russian émigré, touched up and hand painted photographs. As a child Leigh displayed remarkable talent for drawing cartoons. His obsession was film and he recalls nostalgically his visits to the cinemas of Salford: the Rialto, the Devonshire, the Green Bank, the Crosswell.

Leigh's road to success was not smooth: it has had its fair share of failure. He went into acting after RADA because he thought it would be easier to make his mark there - but with little success. In 1966 he auditioned for Gillian Diamond, casting director of the RSC. "Very wooden," she wrote. "Does not really think what he is saying when acting. Really wants to direct."

As it happened, he landed the job of assistant director at the company shortly afterwards. He had hoped to go on to get the job of organising Theatreground, the RSC's touring wing, but instead his contract was terminated. Terry Hands, then joint artistic director with Trevor Nunn, recently admitted regretfully that the RSC was guilty of failing to spot "this new Ben Jonson" in the making. But one door closes, another opens. Leigh went on to direct *The Honest Whore* at E15 Acting School, and met his future wife, Ms Steadman. They recently separated, but that meeting led to 20 years of marriage and collaboration including Steadman's famous rendition of Beverly. In 1969, Leigh was offered the

job of directing Brecht's *Galileo* in, of all places, Bermuda. He agreed against his better judgement and it went horribly wrong. Leigh walked off the set. "I thought, this is stupid. It was the worst production of anything ever," he recalled. "I decided this was it: I was never ever going to direct anything again except my own work."

By then Leigh had perfected his technique of rehearsed improvisation, and he kept to his word. With the play *Bleak Moments*, and its subsequent film backed by Albert Finney in 1970, Leigh was on the way. *Nice In May*, about a vegetarian couple from Croydon on a camping trip, and *Abigail's Party* followed, but for a director with such integrity life would never be entirely smooth. In 1979 Leigh cancelled an RSC play tentatively named *Ice-cream* after 10 weeks of rehearsal because he was not given unlimited access to the actors. He has not worked for the company again, but Michael Coveney, author of Leigh's biography, argues this is not just because he failed to deliver. "The outsiderism of Leigh's

main characters all reflect an alienated aspect of Leigh's status in the British cultural establishment," he says. "He has had to knock on doors, write grovelling letters, fill the gap in somebody's schedule at the last minute, apply for financial pitances, endure endless humiliation and rejection."

Leigh resents never having been asked to work at the National Theatre, Coveney says, or to create a major piece for the Royal Court's main stage. "He has some reason to suppose that cowardice and personal envy are at the root of that impasse; why else would every writer and director of national consequence have been commissioned and performed, but him? The system is simply unprepared to accommodate him."

But equally, it must be argued, Leigh is unprepared to accommodate the system. And perhaps, at last, that does not matter. Leigh is now the holder of the Palme d'Or, the OBE,

and the Cannes best director award. It has been a hard struggle but who knows? Perhaps this extraordinary director whose work sums up so many of the contradictions of British society has at last reached the stage where his refusal to compromise will be recognised as a blessing.

Michael Coveney's biography *The World According to Mike Leigh* is published by HarperCollins, price £18.00.



The stubborn individualism that is his hallmark has long denied him the recognition he finally won at Cannes

Motorway knights in shining armour

"Well, today again we have in the studio Professor Roland Bumper, who knows more than any living person about road rage."

"Now, Professor Bumper, what is it about cars that makes people rage so much more than in other vehicles? After all, air passengers get subjected to many more delays and disturbances than motorists, but air passengers don't start thumping each other or, indeed, the airport authorities."

"Well, of course, that is true, but there are some very good reasons for that. One is that a motorist is a driver and an airline traveller is a passenger, so you are not comparing like with like. Passengers never get road rage, only the drivers."

"Do airline pilots get ... air rage?"

"Yes. Especially when denied landing rights, or a take-off slot, or when another aeroplane nearly hits them in mid-air."

"But airline pilots don't get out and hit each other, do they?"

"If they could, they probably would. But whoever

designed planes was very clever, because they go past each other so fast that there is never time to get out and indulge in air rage. And when a pilot is on the ground, there is no point in getting cross at delays, because after all they are on overtime ..."

"So it is only drivers who get enraged?"

"Yes."

"And only drivers of cars?"

"Yes."

"Why?"

"Because only drivers of cars are encased in small movable boxes which they feel protective of, and which give them a feeling of power. And this applies only to owners of cars. Drivers of stolen cars never get road rage."

"How do you know?"

"They can't afford to. In fact, they tend to get the opposite. What do you call the emotion attached to driving a stolen car? Joy! Joyriding! What do legitimate drivers get? Road rage. If we are to believe the emotions, stealing cars is better for you than owning them. Stealing them gives you joy and owning them gives you rage ..."



Miles Kingston

"Isn't that rather an immoral message?"

"Yes. But perhaps cars are rather immoral things, a symbol of our immoral age."

"Are you saying that road rage is a completely modern phenomenon?"

"Not at all. As the professor of Automobile Behaviour Studies at Milton Keynes, I have, of course, made a study of the history of road rage and have found that whenever man has been encased in a small box that he owned and was surrounded by other men in small boxes which they owned, then there has been road rage."

"I'm not sure what you mean by ..."

"Well, there was much road rage in the sedan chair trade - it was quite common

for sedan chair carriers to engage in fistfights with each other - and we learn from Welsh sources that there were many cases of coracle rage, because coracles were as small as sedan chairs, or indeed Volkswagen Beetles, but to find really authentic, really convincing road rage in history we have to go back to medieval times."

"Road rage? In medieval times?"

"Sure."

"But there were no vehicles comparable to modern cars in medieval times!"

"Ah! Not so fast! What is a modern car, after all? Just a casing of metal to protect you ..."

"A suit of armour ...?"

"Exactly! The medieval knight was the nearest the ancient world ever got to the modern saloon car driver."

"Both were just a bunch of prejudices driving around in a suit of metal. Whenever one medieval knight got near another medieval knight, it was road rage at first sight, and they tried to kill each other immediately."

"Good heavens. You mean - jousting?"

"Exactly. Jousting is road

rage raised to the level of so-called chivalry."

"Good heavens."

"Exactly."

"But just a minute - if you say that road rage comes from being cooped up in a metal box ..."

"Yes?"

"What about the drivers of open cars? You know, like drop head coupés? Sports cars? Old antique cars with no roof, only a rakish driver and a dishy passenger? Are they exempt from road rage?"

"Certainly. Nobody ever heard of a man driving an open sports car losing his temper. And don't forget that racing cars are also open cars. A Formula One car is open to the sky. Racing drivers, who are supposedly subject to the greatest stress of all drivers, never get road rage - they never get out and thump each other!"

"Would you like to hire Professor Roland Bumper to talk to your group about road rage? As soon as possible? Like, now? Because we can't get rid of him! And if he doesn't go soon, we're going to attack him physically!"



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France 2.8555 60.70 162.45

Italy 2.8555 60.70 162.45

Japan 2.0240 75.70 220.48

ECU 1.2519 11.3 29.27

Denmark 2.0240 75.70 220.48

Netherlands 2.0240 75.70 220.48

Sweden 2.0240 75.70 220.48

Switzerland 2.0240 75.70 220.48

Australia 2.0240 75.70 220.48

New Zealand 2.0240 75.70 220.48

South Africa 2.0240 75.70 220.48

Singapore 2.0240 75.70 220.48

DOLLAR

Spot 1 month 3 months

US 1.0000 0.0000 0.0000

Canada 1.0000 0.0000 0.0000

Germany 1.0000 0.0000 0.0000

France 1.0000 0.0000 0.0000

Italy 1.0000 0.0000 0.0000

Japan 1.0000 0.0000 0.0000

ECU 1.0000 0.0000 0.0000

Denmark 1.0000 0.0000 0.0000

Netherlands 1.0000 0.0000 0.0000

Sweden 1.0000 0.0000 0.0000

Switzerland 1.0000 0.0000 0.0000

Australia 1.0000 0.0000 0.0000

New Zealand 1.0000 0.0000 0.0000

South Africa 1.0000 0.0000 0.0000

Singapore 1.0000 0.0000 0.0000

D-MARK

Spot 1 month 3 months

US 1.0000 0.0000 0.0000

Canada 1.0000 0.0000 0.0000

Germany 1.0000 0.0000 0.0000

France 1.0000 0.0000 0.0000

Italy 1.0000 0.0000 0.0000

Japan 1.0000 0.0000 0.0000

ECU 1.0000 0.0000 0.0000

Denmark 1.0000 0.0000 0.0000

Netherlands 1.0000 0.0000 0.0000

Sweden 1.0000 0.0000 0.0000

Switzerland 1.0000 0.0000 0.0000

Australia 1.0000 0.0000 0.0000

New Zealand 1.0000 0.0000 0.0000

South Africa 1.0000 0.0000 0.0000

Singapore 1.0000 0.0000 0.0000

OTHER SPOT RATES

Country Sterling Dollar

Argentina 1.537 0.0599

Austria 10.4770 0.04947

Brazil 5.082 0.04947

Canada 1.2519 0.04947

China 2.0240 0.04947

Denmark 2.0240 0.04947

Greece 3.6010 0.04947

India 2.0240 0.04947

Indonesia 2.0240 0.04947

Iran 2.0240 0.04947

Israel 2.0240 0.04947

Italy 2.8555 0.04947

Japan 2.0240 0.04947

Korea 2.0240 0.04947

Malaysia 2.0240 0.04947

Mexico 2.0240 0.04947

Netherlands 2.0240 0.04947

Oil 2.0240 0.04947

Poland 2.0240 0.04947

Portugal 2.0240 0.04947

Romania 2.0240 0.04947

Russia 2.0240 0.04947

South Africa 2.0240 0.04947

Spain 16.6380 0.04947

Sweden 2.0240 0.04947

Switzerland 2.0240 0.04947

Taiwan 1.2349 0.04947

Thailand 1.2349 0.04947

UK 1.0000 0.04947

USA 1.0000 0.04947

Yemen 2.0240 0.04947

Zimbabwe 2.0240 0.04947

Tourist Rates

City Base Rate 100 DM 100 US\$ 100 £

Australia (Sydney) 1.0000 1.0000 1.0000

Australia (Melbourne) 1.0000 1.0000 1.0000

Belgium (Brussels) 1.0000 1.0000 1.0000

Canada (Toronto) 1.0000 1.0000 1.0000

Cyprus (Nicosia) 1.0000 1.0000 1.0000

France (Paris) 1.0000 1.0000 1.0000

Germany (Frankfurt) 1.0000 1.0000 1.0000

Holland (Amsterdam) 1.0000 1.0000 1.0000

Italy (Rome) 1.0000 1.0000 1.0000

Japan (Tokyo) 1.0000 1.0000 1.0000

Portugal (Lisbon) 1.0000 1.0000 1.0000

Spain (Madrid) 1.0000 1.0000 1.0000

Switzerland (Zurich) 1.0000 1.0000 1.0000

USA (New York) 1.0000 1.0000 1.0000

UK (London) 1.0000 1.0000 1.0000

Interest Rates

Country Base Rate 100 DM 100 US\$ 100 £

UK 5.00% 5.00% 5.00%

US 5.00% 5.00% 5.00%

Germany 5.00% 5.00% 5.00%

France 5.00% 5.00% 5.00%

Italy 5.00% 5.00% 5.00%

Japan 5.00% 5.00% 5.00%

ECU 5.00% 5.00% 5.00%

Denmark 5.00% 5.00% 5.00%

Netherlands 5.00% 5.00% 5.00%

Sweden 5.00% 5.00% 5.00%

Switzerland 5.00% 5.00% 5.00%

Australia 5.00% 5.00% 5.00%

New Zealand 5.00% 5.00% 5.00%

South Africa 5.00% 5.00% 5.00%

Singapore 5.00% 5.00% 5.00%

Bond Yields

Country 5 yr yield 10 yr yield 15 yr yield

US 5.00% 5.00% 5.00%

Germany 5.00% 5.00% 5.00%

France 5.00% 5.00% 5.00%

Italy 5.00% 5.00% 5.00%

Japan 5.00% 5.00% 5.00%

ECU 5.00% 5.00% 5.00%

Denmark 5.00% 5.00% 5.00%

Netherlands 5.00% 5.00% 5.00%

Sweden 5.00% 5.00% 5.00%

Switzerland 5.00% 5.00% 5.00%

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New Zealand 5.00% 5.00% 5.00%

South Africa 5.00% 5.00% 5.00%

Singapore 5.00% 5.00% 5.00%

Money Market Rates

Country 3 months 6 months 12 months

US 5.00% 5.00% 5.00%

Germany 5.00% 5.00% 5.00%

France 5.00% 5.00% 5.00%

Italy 5.00% 5.00% 5.00%

Japan 5.00% 5.00% 5.00%

ECU 5.00% 5.00% 5.00%

Denmark 5.00% 5.00% 5.00%

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Switzerland 5.00% 5.00% 5.00%

Australia 5.00% 5.00% 5.00%

New Zealand 5.00% 5.00% 5.00%

South Africa 5.00% 5.00% 5.00%

Singapore 5.00% 5.00% 5.00%

Life Financial Futures

Contract Settlement Price High/Low Bid Ask

Long Gilt (Jun 90) 105.14 105.10 105.10 105.10

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Long G



COMMENT

The view of biotech as another gold rush, awash with naive small investors prepared to mortgage themselves to the hilt in the vain hope of striking it rich, is not a correct one

Biotechnology stocks will be no one-day wonder

It has become something of a cliché to warn of the perils of biotechnology stocks and there are, no doubt, dangers for some. The fabulous returns being enjoyed by early investors in these garden-shed enterprises could biodegrade as swiftly as they have arisen. Investors at today's dizzy heights are certainly playing a high-risk game. Just the slightest of setbacks for one of the prospective wonder drugs and the whole edifice of hope could come tumbling down. But, contrary to what many people think, this is not a potentially calamitous investment bubble in the making.

There is no denying that the numbers have become frighteningly large and the valuations apparently ludicrous for companies that have never made a profit and as likely as not never will. British Biotech alone is now worth almost as much as Railtrack. But it is not correct to depict biotech as another gold rush, awash with naive small investors prepared to mortgage themselves to the hilt in the vain hope of striking it rich.

Most biotech investors are cash-rich institutions. Those piling into the sector's 12 publicly quoted enterprises over the last six months have predominantly been sophisticated institutional investors, financially robust enough to withstand the losses should all turn to sand and presumably mature enough to know the risks. Most of these investors are playing a very long game. Although some of the companies and certainly many of their products will fail by the

wayside, it may only require one hit to be seriously in the money. Indeed the problem with stock market wonder stocks is not that there are too many, but that there are not nearly enough of them.

In the United States, the biotechnology sector is better developed and the capital markets more receptive and responsive to its need. In Britain there is still suspicion and scepticism. It seems to be a long-forgotten fact that part of the function of stock markets is to raise money for promising businesses. The rules were deliberately changed a number of years ago to allow the biotech companies without track records, to raise money and have their shares traded on the Stock Exchange. This is undoubtedly a good thing. The volatility of these stocks alone is hardly reason for cracking down. Biotech may represent the unregulated wild west frontier of investment. But many investors like it that way and if it helps in the creation of a new Glaxo, who's complaining?

Solid values at Marks & Spencer

Other retailers come and go but Marks & Spencer just soldiers on and on, still growing, still thriving, still, after all these years, winning awards for the excellence of its management and service. Few brand names have proven as successful or durable; few companies as dynamic and crisis-free.

With annual profits now within a whisker of the £1bn mark, past problems in the US falling away, and the future set fair, the achievement looks even more impressive than usual. Absolutely remarkable, as David Coleman might say.

Yet the stock market's verdict is a rather different one. Over 10 years, M&S shares have done no more than match the rest of the market, and notwithstanding yesterday's buoyant reaction, they have underperformed over the past year. Other retailers seem to get more favourably looked on.

There are good reasons for this. M&S is now so large, and such a bell-wether of domestic consumer spending, that however inspired and innovative its management, it will always be hard pressed to deliver anything more than average growth. Even so it must irritate the hell out of the chairman, Sir Richard Greenbury. His opinion of most retailers, and of the analysts and journalists who follow his stock, is notoriously low. We betide anyone who dares write about this great British institution in anything other than flattering terms. Cantankerous and prickly, Sir Richard would dearly love not to be answerable to the City at all. He would prefer M&S as a private company.

Sir Richard's personality is his own, but his approach to the world may explain a little bit about the company's success. Its emphasis on quality, its investment in staff, its attention to service, its state-of-the-art management and control systems all tell the

same story. They are about care, love of the business and the people who make it work and, of course, determination to build something that will endure across generations.

M&S long ago ceased to be a family-run or controlled company but it maintains many of the best characteristics of such concerns - paternalistic, risk-averse, determined to serve. Ten years from now, M&S will still be there and growing. Many of those whose shares now sparkle will be seen as no more than passing fads, and badly managed ones at that.

Sir Bryan flies the Euro flag

Sir Bryan Nicholson seems to enjoy mixing his metaphors as much as mixing it with the Eurosceptic wing of the Tory Party. Last night he was in flying form, deriding them as a flock of cuckoos transmuting into a plague of locusts. You get the general idea. The president of the Confederation of British Industry is not keen on their cut, however they manifest themselves.

In this respect he is at one with the Prime Minister, with whom he shared the speaker's platform at last night's CBI dinner. John Major too has little time for the more virulent anti-Europeans within his own ranks, nor the "bastards" that represent their interests in Cabinet.

However, like the Tory Party, the CBI is

a broad church and all shades of opinion need to be catered for. Mr Major's concession to his Eurosceptic wing yesterday was to announce a policy of non-cooperation with our EU partners until the beef ban is at least partially lifted. Sir Bryan may also have to offer a sop to those within the business community who are not quite as gung-ho about the benefits of staying in the EU as he. By and large the CBI represents big business and by and large big business likes, or at least tolerates, the EU because of the benefits the single market brings.

But there is a significant minority with its ranks that is now quite vocal in questioning whether European union is good for much else. Few yet go as far as calling for withdrawal from the EU but the unspoken agenda is there: how can we maximise our self-interest in Europe as a trading block while opting out of everything else that membership entails.

This is dangerous territory but it is ground that has to be recaptured. The lament of the pro-European camp has long been that not enough of its supporters are prepared to stand up and be counted - a criticism that applies particularly to the business community. It has to be the case that Britain gains vastly more from its membership than it would ever get from withdrawal. Sir Bryan put his head above the parapet to make that case last night. More business leaders should follow his example or they may lose the argument by default.

Chelsfield takes £102m to the shops

TOM STEVENSON
City Editor

Chelsfield, the property company that owns the Wentworth golf club and a share in the famous Babelsberg film studios near Berlin, raised the stakes in its bet on the buoyant regional shopping centre market yesterday.

The company, chaired by Elliott Bernerd, has raised £102m to buy in the 10 per cent it does not already own of the giant Merry Hill site in the West Midlands, and to part fund a huge shopping and leisure development at White City in west London.

The cash call, three shares for 10 at 220p compared with Monday's close of 234p, was broadly welcomed by the City, which sees Mr Bernerd as one of a small band of entrepreneurial property developers who are making money in an otherwise stagnant commercial property market.

The so-called "asset sweaters", who also include the Freeman brothers at Argent, and Nigel Wray and Nick Leslau at Burford, are increasingly taking large bets on big retail and leisure developments in an attempt to create the value that other areas of the property market such as non-prime office blocks have failed to produce for several years.

The White City development, which Mr Bernerd kicked into

life after the 37-acre site lay derelict for years while its owners squabbled over differing proposals, is thought to be one of the last opportunities to build a sizeable regional shopping centre following a tightening of the Government's planning advice to reflect environmental concerns.

Chelsfield has spent £50m putting the site together and expects to spend a further £200m, with the support of Scottish Amicable and General Accident, to develop it.

White City is expected to include 620,000 square feet of retail space and a further 220,000 of leisure related areas with cinemas, restaurants and sports facilities. The site, which is next to the M41 spur road into west London, will have 4,500 parking spaces and will be served by four Underground stations and a new rail passenger station.

Chelsfield now owns 100 per cent of the Merry Hill Shopping Centre near Dudley in the West Midlands, after a series of transactions that have secured it control for about £40m. Following a doubling in the centre's rental income, it is now expected to be worth more than £250m and with lower average rents than some of its rivals, such as Capital Shopping Centre's Lakeside site, is thought to have scope for further gains.

Investment column, page 22

IN BRIEF

• Jersey yesterday formally began the passage of a law to allow the establishment of limited liability professional partnerships on the island. The legislation, first announced late last year, comes as US-based investment bank Goldman Sachs announced it was converting to limited liability status at the end of the fiscal year. The Jersey law, based on similar provisions in the US state of Delaware, has been developed in consultation with leading accountancy firms Price Waterhouse and Ernst & Young, which are among growing numbers of accountants, law practices, investment banks and other professional organisations anxious to protect themselves in this way from the effects of large negligence claims. Jersey's new law should be in operation by the end of the year.

• Housing market recovery hopes were given a fresh boost yesterday after building societies said that advances for home loans in April were 25 per cent up on the same month last year. Although mortgage lending dropped from £1.03bn in March to £830m last month, it was still higher on a seasonally adjusted basis. At the same time, Britain's main banks reported a slight increase in consumer confidence, with their lending figures showing the sharpest monthly rise in consumer credit since 1991, up from £335m in March to £566m last month. However, mortgage lending fell slightly from £633m to £556m.

• The German Economics Ministry said the economy shrank for the second consecutive quarter. By Anglo-Saxon definitions that means Germany is in a recession, but German officials contest that label. Gross domestic product fell 0.5 per cent in the first quarter, with the construction sector particularly hit by cold weather. The economy contracted by the same amount in last quarter of 1995.

• Lufthansa said it may consider taking a stake in British Midland. Klaus Schelde, the finance director, said he would not rule out such a move but added that the German airline had not held talks with the British carrier. His comments followed a statement from British Midland that it had been approached by several airlines with a view to taking a stake in it.

• Swiss Bank Corporation, one of the big three international Swiss banks, is to be reorganised into four divisions from 1 January 1997. The new business will be centered around investment banking and headquartered in London.

• Honda announced a spurt in annual earnings and predicted profits would race ahead this year on the back of aggressive marketing and cost-cutting. The company said its forecast of a 70 per cent leap in group profits this year reflected plans to corner a larger portion of the Japanese domestic car market and to push ahead with cost cuts.

• More than half of small businesses have been victims of crime in the last two years, according to a nationwide survey for BusinessPulse. Nearly a quarter of 400 companies questioned by NOP Corporate and Financial had experienced crime in the past three months, with the average business suffering five crimes in the last two years.

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business

Jarvis Porter faces the squeeze

THE INVESTMENT COLUMN

EDITED BY TOM STEVENSON

Since Richard Brewster took the reins as chief executive of the labels to beer mats group Jarvis Porter in 1991 the shares have outperformed the rest of the market by more than 100 per cent. But that growth has been stalled since the start of last year, not helped by the flood of shares issued in connection with the acquisition of the Scottish computer labels group Donprint and three Dutch label companies for a total of £44m in 1994.

Underlying growth is continuing, as yesterday's results demonstrate. Pre-tax profits rose a third to a record £14.1m in the year to February, although the drag caused by those extra shares was clear in the much lower 11 per cent rise in earnings per share to 20p. But the market had other worries in marking the shares down 16.5p to 272.5p yesterday.

Firstly, Jarvis's original business making labels for the drinks, pharmaceuticals and toiletries markets is facing a squeeze from its multinational clients, who are centralising their sourcing on a Europe-wide basis. Although contracts are extended from, say, one to three years and volumes increase, the quick pro quo is lower prices. This pressure is clear from the fact that while the UK non-computer labels business saw volumes rise by a healthy 6 per cent last year, turnover advanced only 4 per cent, after adjusting for the effects of acquisitions. Profits grew from £7.54m to £11m, but that was with the benefit of the first full year of the 1994 purchases.

Meanwhile, Europe has not proved a happy experience. Margins outside the UK shrank by about 4 percentage points as competition among suppliers intensified on the back of a sluggish market. European profits were only kept moving by a maiden £146,000 contribution from Baulip Etiquettes, a French toiletries labels maker. But having made virtually nothing in the second half, that has proven an unfortunately timed acquisition.

That cannot be said about Donprint, which earns around double the gross margins of the traditional operations and has seen sales thunder ahead at a rate in excess of 25 per cent in the past year. The addition of its own coating operation has added around five points to its margins and the start of its first US manufacturing operation in July should open a new seam of business.

Donprint's success has encouraged Jarvis to bring management across from the Scottish company to spearhead a one-year drive in the personal care and pharmaceuticals businesses.

Given its leading position in most of its markets, Jarvis should succeed, but it may have to travel a rocky road in the short term. Margin pressures look set to remain a permanent feature of dealing with multinational groups, while there are already rumours of competitors to Donprint, attracted

Chelsfield builds on a tough site

Chelsfield's three-for-10 rights issue to raise £102m did nothing to upset the property company's premium rating. The shares closed 5p lower at 249p yesterday, slightly above the notional ex-rights price and well ahead of brokers' net asset value forecasts for the end of the year of about 220p.

Compared to the rest of the tired property sector, where companies are on average trading at a discount to projected net assets, that is quite a vote of confidence in the management of Elliott Berners, who founded the business 10 years ago and, after passing on some of his rights entitlement, will still own nearly a quarter of the shares.

So how justified is the market's low affair with Chelsfield and how much of the good news is already in the price?

As a financial dealmaker the company has an enviable record, and the acquisition of the final 10 per cent of

the Merry Hill shopping centre, announced with the cash-call, is the final move in a flawless strategy to get hold of one of the country's biggest retail sites. The £10.3m price tag for the final tenth of the equity was actually the most expensive slice and Chelsfield has now bought the whole centre for a little over £40m. It is conservatively worth £250m and, with low average rents and plenty of adjoining land to develop, the potential is enormous.

Regional shopping centres are currently the property sector's hottest assets and if you were to put Merry Hill on a similar valuation footing as Donny Gordon's Capital Shopping Centres sites at Thurrock and Galeshead this asset alone could make the stock market premium look justifiable.

But the biggest potential probably lies in London, where Chelsfield has control of a proposed retail and housing development in White City, an inexplicably derelict site within minutes' drive of some of the country's most affluent residential areas.

Chelsfield has spent £50m putting together the site and reckons it will need to spend a further £200m to build the development. BZW, the company's broker, believes the finished product could be worth £500m.

The property sector has split in recent years between the dull majority

of rent collectors and a handful of bright, entrepreneurial companies with the management and skills to prosper in a low-inflationary environment not obviously conducive to making money out of bricks and mortar. Burford, Argent, even Hammerson seem to have got the hang of creating value in this difficult market. Chelsfield too and the shares are worth the apparent premium. Good value.

Enterprise Inns foxes doubters

Enterprise Inns came to the market last November bravely flying the tenacious flag in the face of a stock market in love with the idea of the glossy managed pubs run by companies such as Tom Cobleigh, JD Wetherspoon and others. We were not alone in questioning whether the company would succeed in its bid to persuade the City that it was anything other than a rather dull rent collector and thought its price-earnings ratio of 9 at 145p was harsh but appropriate.

In doing so we missed a good opportunity. The shares rose 11p to 194p yesterday as the company announced the acquisition of John Labatt's 413 UK pubs and despite a small one-for-six rights issue at 153p to raise £9.5m towards the £61.5m cost of the deal. As if to put two fingers up to doubters such as this column Ted Tuppen, chief executive, confirmed that he would be converting 165 managed pubs in the estate to tenancies, swimming right against the prevailing tide in the industry.

Wrapping up the announcement, Enterprise also confirmed solid growth in its existing business with a 9.3 per cent rise in earnings growth excluding exceptional items to 7.31p after a 26.5 per cent rise in profits to £3.5m from a 6 per cent sales up-lift.

The John Labatt deal, which followed the recent sale to Whitbread of the Labatt UK brewing rights, seems to have presented a nice opportunity for Enterprise to double its portfolio and grab attractive economies of scale for a sensible price. At £20m less than net assets, the buying price reflects the desire of Interbrew, Labatt's new owner, to get shot of a non-core business.

There also seems to be method in Mr Tuppen's madness in turning the managed pubs back into leases. With some creating turnover of only £3,000 a week they simply do not merit much management time. As a cash-generating rent generator and ready market for Enterprise's new seven-year supply deals with Bass and Whitbread, they will more than pay their way.

It is a good deal, but after their recent rise the shares would appear to already reflect the good news. Hold.

Waste-busting committee hits the road for Britain

CITY DIARY

JOHN WILLCOCK

The MPs investigating the sacking of former Stock Exchange boss Michael Lawrence have been stern critics of incompetence wherever they find it. The Treasury and Civil Service Committee also have a reputation for criticising money-wasting ideas. How strange then that they are planning two overseas trips, the first in June to Washington and New York, in order to see how the Americans run their stock exchanges. As committee chairman Sir Thomas Arnold, Conservative member for Hazel Grove, puts it: "The Americans are way ahead of us." The second trip, planned for the autumn, will take the MPs to Paris and Frankfurt. It is not yet clear which members of the committee will be lucky enough to go on the junkies. Will Brian Sedgemoor, Labour member for Hackney and Shoreditch and scourge of the Bank of England, be packing his bags? Nicholas Budgen, Conservative member for Wolverhampton South-west, told Mr Lawrence when he appeared before the committee that it had "as much a right to investigate the sacking of Stock Exchange cleaning staff" as it did of him. Indeed, said Mr Budgen, the whole investigation was a "waste of time and money". He says now that while he has heard about the trips, "I honestly haven't thought about them." Him.

John Major's threat of non-cooperation with European Union treaties may win plaudits from little Englanders, but it has drawn a howl of protest from UK corporate recovery professionals. The first casualty of the boycott will be the EU Bankruptcy Convention, due to be signed on Thursday. The convention has taken more than a quarter of a century to negotiate. A senior recruiter says: "This is adding Mad Ministers to Mad Cow Disease."

Lawyers were practically blinking back tears last night as they saw their final triumph, a code that will save jobs on a Continental scale, being snatched from them at the last minute. Most large companies now have extensive overseas operations, yet agreements on how to handle cross-border insolvencies are thin on the ground. When the UK-based Lancer Boss forklift truck business went bust and a receiver was appointed, a minor German lawyer took over the German operation and nearly scuppered the whole rescue operation, endangering hundreds of jobs. The Bankruptcy Convention would never have allowed this problem to arise. Never mind. I'm sure the Government knows what it's doing.



Way ahead: MPs feel the need to take a close look at NY

Sir Richard Greenbury, the chairman of Marks & Spencer, always has something interesting to say, whether about his company's annual results or corporate governance. But his views on bra sizes may still come as a surprise.

M&S has been recruiting extra staff in certain areas to meet demand, such as people to advise on men's suits and home furnishings. Another area is bras. Sir Richard tells us that between 1,000 to 1,500 women a week seek advice on bra measurements from M&S. In an attack of political incorrectness, the chairman says: "Forgive me, but I do find it strange that

women need that kind of help."

Everybody's doing it. Accountants Price Waterhouse and Ernst & Young now have the final all-clear to move offshore and register as limited liability partnerships in Jersey. This protects them against many of the spiralling professional indemnity claims that are now in vogue. The firms even helped Jersey to draft the laws under which they are now registered.

The US investment bank Goldman Sachs has done the American equivalent, for similar reasons, by re-registering in the state of Delaware.

Big UK law firms like Linklaters & Paines are considering their own stampede to Jersey - a nice little earner for the island, which charges a £10,000 registration fee per firm.

A senior PW partner recalls the accountants' plan last December to fly to Jersey to wine and dine the island's officials, in order to thank them for providing them with such an agreeable legal framework. On the morning of the flight Heathrow was fog-bound. Showing their true ability as problem-solvers, PW chartered the last plane out of town and made lunch with minutes to spare.

Vosper shrugs off frigate loss

MICHAEL HARRISON

Vosper Thornycroft, the Southampton-based warship builder, yesterday shrugged off the disappointment of losing a £400m Royal Navy frigate order to its arch rival, GEC, by posting a 10 per cent increase in profits and setting its sights on more than £1bn worth of overseas business.

Lord Wakeham, the company's chairman, said he looked forward to receiving "the highest level" of government support in Vosper's bid to secure warship contracts from the Middle East and Far East.

He was speaking as Vosper unveiled an increase in profits to £27.6m after taking nearly £4m in restructuring charges to cover 300 redundancies caused by the loss of the Type 23 frigate order to GEC.

Despite this the order book still stands in excess of £450m while Vosper has £80m in cash to help fund acquisitions in its burgeoning non-naval business. The yard hopes to win a second order for minehunters from Saudi Arabia worth an estimated £400m despite the diplomatic furore over the dissident Mohammed al-Masari.

Vosper is also tendering to supply frigates to the United Arab Emirates and last patrol boats to Qatar while it is among six shortlisted bidders for an order for up to 27 offshore patrol vessels from Malaysia.

Lord Wakeham said Vosper had been disappointed to lose the Type 23 frigate order to GEC's Yarrow yard on the Clyde but added that the closely fought contest had underlined the importance to the Ministry of Defence in having competition in warship building.

In the face of a lag in domestic orders, Vosper is building its activities in outsourcing and facilities management. It has won three management contracts including a £250m deal to run Britain's naval training centres in partnership with GEC. Vosper is also bidding to take over the running of Portsmouth Dockyard.

FII profits warning wipes 40% off shares

TOM STEVENSON
City Editor

Marks & Spencer shoe supplier FII Group stunned its shareholders with a profits warning yesterday that sent its shares crashing 18.5p to 283p.

The 40 per cent fall means the shares, which rose from a low of 260p at the time of the January 1995 management buy-in, gave up nearly all of their last 15-month gain in a single day.

The warning that margins remained "very unsatisfactory" and would lead to a £1m operating loss in the year to May accompanied news that Charles Ryder, who led the buy-in, would be giving up his role as chief executive to become non-executive chairman.

The collapse was the second piece of bad news within days from the troubled footwear industry. Since shoe component maker Chamberlain Phipps warned on profits on Friday its shares have halved in value.

Mr Ryder, the former boss of textile company Claremont Garments, moves upstairs in the middle of a transformation of FII that has led to large exceptional write-offs in the past 15 months. Last year it lost £8m and reported another £4.3m deficit in the half-year to November.

FII said yesterday that sales growth in the second half of the year was satisfactory, especially within the context of a continued decline in the overall retail footwear market, but the return on that turnover was still poor. Sales in the second half are expected to be 9 per cent ahead of last year.

Even so, turnover is still expected to fall short of internal targets. That has been largely due to generally poor trading conditions, the late onset of spring and the particularly weak performance of a number of other high street retailers.

FII expects to return to profit in the year to next May.

IN BRIEF

• BNB will reduce the consideration for recruitment agency Goodman Graham & Associates following the departure of Andrew Goodman, its managing director. BNB, which acquired the company in October, will reduce the amount it will pay from £7m to £4.5m, in line with an agreement made at the time of the purchase. David Norman, chairman of BNB, said the business was trading satisfactorily and would continue to progress under new management.

• Recognition Systems, a software business that "develops and sells intelligent software which enables organisations to make more efficient use of the information accumulated in their databases", is coming to the market next week via a placing of 5.4 million shares at 70p to raise £3.78m for the company. Recognition, which describes its expertise as "neural computing for micro marketing" will be valued at £18.9m at the placing price. Dealings are expected to start on 29 May.

• Glaxo Wellcome said yesterday it had received approval in Germany to market Ultiva, the first of a new class of anaesthetics that the company expects to play a significant role in anaesthesia. Studies have shown that Ultiva, unlike traditional opioids, has a rapid onset of action and its effects dissipate quickly after administration is stopped. Ultiva has been approved in Germany for use in induction and maintenance of general anaesthesia and immediate post-operative pain management. This is the first regulatory approval for Ultiva. An FDA advisory committee has already recommended that the drug should be cleared for marketing in the US.

• Two rival bids for South West Water from Severn Trent and Wessex Water were, as expected, referred to the Monopolies and Mergers Commission yesterday. Daniel Martin, an analyst at BZW, said he would be surprised if the bids were actually blocked. Both companies are expected to be allowed to proceed on the basis of price-out agreements with Ofwat, the industry regulator.

• Jarvis, which last week called a halt to dealings in its shares, is expected to announce details of a big expansion later today via the acquisition of a British Rail infrastructure maintenance unit. The Northern maintenance unit is the last of its kind to pass into private hands. At the end of March the construction and property company said negotiations relating to a substantial acquisition and involving a related equity issue were "progressing satisfactorily".

• A new firm led by the Park Food director, Stuart Marks, plans to launch an agreed takeover bid for the hampers group. Mr Marks has asked Park Food to disclose certain information so he can evaluate the feasibility of bidding for Park, which will co-operate with him. To avoid any conflict of interest, he has resigned from the board of Park Food, although he remains on the board of a subsidiary company.

COMPANY RESULTS

	Turnover £	Pre-tax £	EPS	Dividend
Artemis Gold (I)	1.1m (377)	375 (0.03)	0.28p (0.03p)	nil (-)
Brooke Bond (I)	10.6m (0.0m)	304 (1.61)	0.7p (0.5p)	0.1p (-)
AF Belfin (F)	30.3m (18.2m)	1m (503)	2.46p (2.27p)	0.45p (0.4p)
Chatterfield Progs (F)	38.4m (38.2m)	8m (9.1m)	20.8p (23.14p)	13.4p (13p)
Edridge Pope (I)	28.2m (24.8m)	956 (879)	3.72p (3.26p)	1.85p (1.65p)
El Oro Mining (F)	2.2m (2.1m)	1.9m (1.9m)	31.61p (31.61p)	2.1p (20p)
Enterprise Inns (I)	12.4m (11.7m)	5.5m (2.8m)	7.01p (10.54p)	2.25p (-)
Exploration Co (F)	2.7m (2.8m)	2.3m (2.3m)	13.75p (14.34p)	10.5p (-)
Harrold Group (I)	7.2m (4.1m)	3.3m (2.3m)	9.2p (7.8p)	3.1p (2.7p)
Jarvis Porter (I)	91m (71m)	14.1m (10.6m)	20.0p (18.1p)	6.75p (5p)
Marks & Spencer (F)	7.2m (6.8m)	965m (924m)	23.3p (22.4p)	11.4p (10.3p)
Residential Int (F)	234.3m (235m)	9.3m (14.1m)	3.15p (4.68p)	3.44p (-)
Trinity Case (F)	7.2m (4.1m)	713 (607)	16.6p (10.1p)	4.8p (4.5p)
Vesper Thornycroft (F)	237.9m (249.5m)	27.5m (25m)	57.9p (52.6p)	23.5p (21.0p)
Final (I) - interim (M) - Nine months				

NEWSPAPERS SUPPORT RECYCLING

Recycled paper made up 34.5% of the raw material for UK newspapers in 1995.

Source - Pulp & Paper Information Centre.

مكتبة الامير

market report/shares

Data Bank

FT-SE 100

3789.4+11.2

FT-SE 250

4529.2 +6.9

FT-SE 350

1918.4 +5.0

SEAQ VOLUME

640.0m shares

35,562 bargains

Gifts Index

92.65 -0.09

SHARE SPOTLIGHT

Bank of Scotland

Share price: 1.12

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Oils gush as sector stages the mother of all recoveries

Not for the first time the stock market found itself admitting it had made a mistake. On Monday oil shares were driven lower as the long-suspected United Nations oil-for-food pact with Iraq was agreed.

A day later, oil, which had been something of a gusher, making by far the biggest contribution to the FT-SE 100 index's 11.2-point gain to 3,789.4.

Quite clearly, Monday's decline owed much to an old-fashioned jobbers' market, as attempts were made to buy in stock.

In the event the market came round to the view that little had changed, the Iraqi influence would be marginal and the supply pool, with backdoor deliveries now emerging through the front door, would be little changed.

A bizarre lunchtime rumour suggesting a US strike for British Petroleum contributed

to the rally. Exxon was the US name in the frame, BP, priced at more than £2bn, was the improbable target for a mid-afternoon strike.

The witching hour came and went and BP had the satisfaction of seeing off the bid that never was. Its shares were at one time up 13.5p; they closed 9p better at 578.5p.

Shell, without any help from bid speculation, rose 10.5p to 937p and Enterprise Oil put on 12p to 472p. Lasso added 6.5p to 183p.

The market, in the broader sense, paid little attention to the better-than-expected figures from Marks & Spencer and to British Biotech's positive presentation for its cancer drug. More records on the other side of the Atlantic were once again treated with comparative indifference with shares remaining under the political whip and another Government monopoly probe

this time into the bids for South West Water - causing yet more ripples of unease.

However the takeover of the accident-prone utility is expected to be cleared eventually and its shares were little changed at 659p. Bids for Sarn Trent, off 7p at 559p, and Wessex, 9p at 302p, expressed disappointment. Other waters caught in the regulatory net included Thames, off 5p at 551p and United Utilities, 13p at 558p. Electricity, too, suffered from fading bid hopes with old takeover favourite Yorkshire Electricity off 17p to 730p.

Railtrack had a much more subdued session with the price unchanged at 220.5p after

touching 223p. Turnover, after Monday's heroics, was a relatively insignificant 194 million shares.

Bank of Scotland rose 9p to 279p (after 283.5p) on stories Standard Life, the insurance group, was holding presentations to encourage buyers for its 32.2 per cent interest. Royal Bank of Scotland, nursing ambitions to become the dominant banking force in Scotland, is rumoured to be keen to snap up the stake and launch a bid which would almost certainly be contested and run into monopoly problems. Royal was unchanged at 536p.

British Biotech touched 3,789p in early trading, ending

MARKET REPORT

DEREK PAIN

Stock market reporter of the year

technology, a gas detection business, 18p to 50p.

On AIM, African Gold slipped 0.5p to 18.7p despite a sharp profits increase and Ask Central, the restaurant chain rose 12p to 128p. Standard Rook held at 489p after its decline on Monday.

Acorn Computer gained 15p to 303p, highest since the mid-1980s when the shares topped £10. They have been encouraged since going into the equivalent of single figures in 1992 by Acorn's involvement with such US groups as Apple and Oracle and the development of an associate producing super computer chips. The group has made losses in its past two years.

Oliveri, the struggling Italian group, has cut its shareholding to 54.4 per cent to accommodate American demand for the shares which have risen from around 100p in the last six months.

TAKING STOCK

Christies International, the fine art auctioneer, rose 8p to 224p as the market continued to speculate about the intentions of near-30 per cent shareholder Joseph Lewis. There is talk that he has found a buyer for his stake, believed to be for Eastern, and a sale will lead to a cash bid for the group. Mr Lewis wanted representation on the Christie board but was, it appears, rebuffed.

Springwood, formerly timber group JO Walker, returned to market as a leisure enterprise with the shares trading at 789p against a 743p suspension price. Trading halted while Walker acquired pub and other leisure interests owned by chairman Adam Page, the man who created Midsummer Leisure out of the commercial arm of Camra in the 1980s.

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A SPECIAL REPORT
TURKEY AND EUROPE

Why Turkey is too important to sideline

East is East and West is West. But what then is Turkey? Hugh Pope examines the country's ambivalent relationship with Europe

The jack-hammers are once again pounding the pavements of Istanbul. Roads are being resurfaced, conference halls built and beautified. Preparations are in full swing for the big United Nations summit conference on the world's cities next month known as Habitat II.

As with much interaction between Turkey and the outside world, the ambitious plans often look as though they may go awry. The Turks tend to leave things to the last minute and Western partners can end up wagging their fingers. But in Turkey everything usually turns out well on the day. Perhaps not all of the world leaders and 20,000 people predicted will turn up for Habitat II, but those who do will be impressed.

The country that until 15 years ago saw itself as a self-sufficient cultural and economic island has gone beyond interaction with the outside world towards a rapid convergence. First among Turkey's new range of outside partners is the European Union, despite fears and prejudices on both sides, conflicting Muslim and Christian identities and a nagging gap in perceptions about human rights.

"Turkey's relationship with Europe is so intimate it precludes other options," says Michael Lake, who, as the European Commission's ambassador to Turkey managed Turkey's entry on 1 January into a uniquely close Customs Union with Europe. "The European Commission did not believe Turkey could do it," Mr Lake adds. "Then people didn't believe the European parliament would approve it, but it did, by a 2-1 majority. It's been achieved against all perceived odds."

The mutual economic interests

are compelling. In the past two years, two-way trade has gone from 20 billion dollars to 28 billion dollars, making Turkey and its fast-growing market of 65 million the 10th biggest trading partner of Europe as a whole. EU countries meanwhile account for half of Turkey's overall trade and two-thirds of incoming investment.

"Technically, all is going well," says Nihat Akçol, who heads the European Union department at Turkey's ministry of foreign affairs. There is however a familiar, time-honoured hint of reservation in his voice. The most familiar problem is Greece. A large-scale recipient of EU subsidies itself, Athens has always agitated to make sure that Turkey receives the minimum. It cites a host of bilateral reasons to do with a history of conflict with Turks, the Turkish intervention in Cyprus since 1974 and most recently a dispute after Turkey in January claimed sovereignty over two uninhabited rocks in the Aegean.

Athens has pursued its interests in diplomatic trench warfare that often includes standing out as a minority of one against the rest of Europe. The latest veto has threatened a whole gamut of EU compensation offered to Turkey to offset losses to its treasury for lifting the last of its customs duties on European goods - about \$800m of grants and \$800m of loans over the next four years. "The Greek veto has overshadowed the political and psychological impact of the Customs Union in Turkey," Mr Lake says. "This damages the EU more than Turkey. It has put the credibility of the EU's contractual commitments into question over an operational regulation."

Faced with strong pressure from

the big European trading states, Greece has partially backed down. Athens has also been reminded that the opening of negotiations for Cyprus entry into the EU is linked to the smooth functioning of the Customs Union with Turkey. But Turkey is still faced with the fact that eastern European states have now jumped well ahead of it in the queue for full membership, leaving the country feeling that while it has been allowed into the European garden, it will never be let into the European house.

"Turkey has to stop banging on a door that's not ready to be opened," Mr Lake says. "For our part, we have to be more aware to take Turkey on board." The Turks feel offended that while they stood guard for nearly 40 years on the southern third of the NATO flank against the Warsaw Pact, and while Customs Union has given them a far more intimate relationship with Europe than a country like Poland, they now find themselves on the same list as Russia and Ukraine.

It is not a simple question of whether Turkey is European or not, or whether Turkey is ready for full membership of a union whose economies are structured quite differently to its own. Ankara knows it was hasty to apply for full membership in 1987, which resulted in a cold shoulder from the Commission in 1989. It is more a question of not being ruled out, of having the option of full membership as promised in the 1963 Ankara Treaty between Europe and Turkey. "Have you seen a lot of pressure from us to open negotiations for full membership? No," Mr Akçol says. "We react when we see the way ahead closed. The perspective must be open, defined.

There must be something concrete on offer at the end."

The Turkish novelist Orhan Pamuk has described this mentality as one in which Turkey is constantly moving towards Europe and the West, but never quite wants to arrive. Even while being kept at arms' length, for instance, Ankara has told Brussels that it will wherever possible align its diplomatic and security policies with Europe's.

Despite the certificate of approval given by the Customs Union, however, Europeans are still holding back on large-scale investment. Big companies tempted by a famously hard-working, inexpensive labour force are worried about the chaotic local politics, 80 per cent inflation and the prospect that the pro-Islamic Welfare Party will come to power and actually act on its highly Eurosceptic propaganda.

But few businessmen in Istanbul believe that the Welfare Party will be able to turn the clock back much. Over the past five years, explosive growth in private broadcasting has triggered an information revolution that holds out promise of more enlightened politics in the future. Each year, too, the Turks seem to do better. Habitat II or no Habitat II, Istanbul's hotels are fully booked with international conferences.

Gleaming new shopping malls win top-in-the-world prizes. A newly disciplined soccer squad won a place in Euro '96, and Turkey has at last got a decent score in the Eurovision Song Contest. "Nobody knows when and if what countries will next enter the EU," Mr Lake says. "But nobody's entitled to say Turkey can never join. And Turkey is too important to brush aside."



Soft sell: a street-hawker in the southern Turkish port of Iasucu peddles his wares. Customs Union with Europe offers both new opportunities and responsibilities for the nation's merchants

Islamists not alone in suspicions of Europe

SAHIN ALPAY

"The imperialist Western powers and the rich Christian countries, however much they struggle among themselves, have always united against the threat from the East, the Eastern peoples, especially the Ottoman Empire and the Turks..." Turkey is a country that has to live together with the Middle Eastern countries, however much it integrates with Western countries and Europe. In short, Turkey cannot be detached from the Middle East.

These excerpts are not taken from writings by Islamists, extreme nationalists or Marxists in Turkey. They are from a book published in 1995 by the General Staff of Turkey's Armed Forces. And though such ideas don't dominate military thinking, it's remarkable that after nearly 50 years' in the Western military alliance, a high-ranking Turkish officer can openly express suspicions that his allies are conspiring to dismember the country.

While Turkey frequently re-dedicates itself to the goal of full membership of the EU, the above text is an excellent expression of a growing feeling among a minority of members of the establishment. President Suleyman Demirel is always quick to express fears of what in Turkey known as the

"Sevres Syndrome", after the 1920 treaty by which the victors of the First World War sought to carve Turkey up into Greek, Armenian, Kurdish and Turkish statelets. Kenan Evren, the former president and chief of staff who led the 1980-83 military coup, put his view bluntly in a TV talk show in 1995: "The Western powers have never given up these ambitions... I may not live long enough to see it. But the young generations will see that the great powers will take the (Kurdish) south-east away from us."

Human rights violations by Turkish forces should never be tolerated. But Turkish suspicions are not allayed by a Europe unrelentingly critical of Turkey's Kurdish policies, while openly sympathetic to the Kurdish cause.

The growth of the "Sevres Syndrome" may be just a contemporary expression of the love-hate relationship between the Turkish elite and the West which has long accompanied Turkey's two centuries of Westernising efforts.

Turkish suspicions may also derive from a feeling that with the end of the Cold War, Europe has lost interest in Turkey's strategic importance, at the same time as Turkey faces far greater instability around it in the Balkans, Caucasus and Middle East. A third factor has been the apparent

rejection of Turkey's bid for full membership of the EU. Even pro-West, liberal intellectuals argue that Customs Union without full membership is a sell-out.

Some schoolbooks now list France and even Switzerland alongside traditional "enemies" like Greece. Parties with the strongest anti-West, anti-Europe positions are on the rise: the moderate pro-Islamic Welfare Party is supported by a quarter of the electorate, the anti-West Democratic Left of Bulent Ecevit by a fifth of the people.

Public attitudes remain ambivalent, though. An independent poll in 1993 found that about 50 per cent of Turks felt their place was in Europe, while the rest were equally divided between the "Islamic" and "Turkic" worlds. Most remarkable was the answer to the question: "Which nations are the best friends of Turkey?" Three out of 10 respondents believed "Turkey has no friends".

But the West needs Turkey as much as ever. Perhaps it's time for Turkey's friends to reach out to a country that has struggled with some success to sustain democracy, modernise its economy and, uniquely in the Muslim world, integrate moderate political Islam into a secular system.

Dr Sahin Alpay is an opinion editor on the national daily paper Milliyet

Customs Union has transformed trade

VIRGINIA BROWN KEYDER

The advent of Customs Union with Europe is reshaping the rules of trade and business in Turkey, quietly progressing even as local politicians squabble, secularists and Islamists wage ideological war and the fate of the economy hangs in the balance.

The need last summer to harmonise Turkey's legislation with Europe brought a barrage of decrees governing intellectual property. New laws now govern patents, trademarks, industrial design and geographical signs, which indicate origin. There were major amendments to copyright legislation, including computer programs and data bases.

The Commercial Courts of Turkey's big cities, while not awash with intellectual property actions, are showing a distinct vigour as local and foreign plaintiffs discover the protection afforded them by the new laws. The importance of design law was driven home abroad when three of the country's top textile exporters were briefly jailed in

Paris for trying to market products infringing the law. Conferences on intellectual property issues have become weekly occurrences in Istanbul, sponsored by legal associations, performing-rights societies, trade groups and quasi-governmental bodies.

Over the last year, important private sector companies, professional organisations, such as the Istanbul Chamber of Industry (ISO), have begun to set new standards. They have left behind the whining protests that dominated the Customs Union debate in much of the Turkish press.

"If you have a product, it is no longer good enough to say it looks like the one they sell in Europe, take it or leave it," one of a bright new generation of specialist lawyers told one conference. "You must make sure it does not infringe intellectual property laws, you must make sure its quality complies with EC standards and you must make sure its production is in keeping with ISO 14000 [the new extended local environmental standards set for manufacturing, industry and com-

merce]. If you cannot, you have to get out of the game, because that is the way it is going to be from here on out," she added.

Turkey is still to digest some peripheral parts of this new relationship, such as the internalisation of new competition law, the elimination of child labour, human rights and toxic waste.

As Customs Union comes fully into operation over the next few years, its effects will become more generalised. The escalation of outside monitoring and the concomitant loss of sovereignty will no doubt be accepted just as it has been in EU member states.

Preparations for the Habitat II conference in Istanbul have revealed a recent flowering of Non-Government Organisations in Turkey. Over the next few years, they will aim to gain a permanent presence on the national agenda.

For now, a new no-frills, product-oriented trade perspective has taken hold. The old approach of Turkish manufacturers - "this is my product, take it or leave it" - is going the way of the all-but-extinct, Turkish-made fake Lacoste shirt.

The other best thing about doing business in Turkey.

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مكتبة المجلد

TURKEY AND EUROPE

Geoffrey Lean looks ahead to next month's United Nations 'city summit' in Istanbul

What future for our cities?

Far back in Neolithic times, while most of humanity was still sunk in the Stone Age, the world's first town flourished in Turkey. By around 6500 BC there was a large and thriving settlement at Catalhöyük in Central Anatolia. Houses built of mud brick and plaster crowded so tightly into large blocks that there was no room for streets – people got into their homes by ladder from their roofs – and fine statues and wall paintings adorned them.

Next month the world's leaders will meet not far away, in Istanbul, to review one of the most dramatic developments since the founding of Catalhöyük. For the first time, humanity is about to become a mainly urban species. By the year 2000, more people will be living in cities and towns than in the country. By the year 2025, two thirds of the world's population will be urban dwellers, compared to just a third as recently as 1975. The scale of this change of habitat is only matched by the speed at which it is taking place.

The representatives of 134 countries who will be meeting for the 'city summit' – or Habitat II as the gathering in Istanbul from 3-14 June

is officially called – will try to draw up an international strategy for coping with this change. The conference's Secretary General, Wally N'Dow, writing in a forthcoming issue of *Our Planet*, published by the United Nations' Environment Programme, calls it "perhaps a last chance for an internationally collaborative venture to face squarely the pressing challenge that confronts humanity in the coming century."

At the start of the century there were only 11 cities of over a million people. Now there are nearly 300; within 20 years there will be more than 570. Ninety per cent of this growth is taking place in the Third World, often in the countries least able to cope with it. Only half of it comes from population increase; the rest is the result of mass migration as millions of people flee from rural poverty into the slums that increasingly surround developing countries' cities; about a third of the Third World's city-dwellers now eke out an existence in these appalling surroundings.

"Our values are made concrete in towns and cities," concluded a high level group of government minis-

ters, mayors, bankers, academics and officials meeting in the Turkish coastal town of Marmaris last month to prepare for Habitat II. "They are expressions of the dynamism of the human spirit, the centres of culture, creativity and the exchange of ideas. But they also concentrate the extremes of wealth and poverty and take a disproportionate toll on the life support systems of the planet. The scale of urbanisation and growing inequality have resulted in new levels of poverty while cities already nearing breaking point will have to accommodate an unprecedented growth in numbers."

Cities in the richer countries have largely stopped growing, but they share many of the problems of their Third World counterparts. Pollution, especially from car exhausts, is creating its own urban crisis; in Britain alone, 10,000 people a year die from inhaling just one of these pollutants, particulates. Extreme wealth and poverty meet cheek by jowl in cities in Europe and the US, just as in Africa and Asia. Parts of rich world cities are approaching Third World levels of despair, while

the rich in some developing world cities live as comfortably as any people on the planet. And violence, addiction and social disintegration know no frontiers.

And in this, curiously, lies some prospect of progress. For most of the countries that will congregate in Istanbul share similar problems. This is not merely a case of developing countries demanding financial aid from industrialised ones in order to address their problems, though some such increased resources will be necessary. Habitat II offers a possibility for rich and poor countries alike to work out joint solutions to an increasingly shared crisis.

And many of the solutions are spontaneously emerging in developing country cities. A new book, *Making Cities Work*, commissioned for Habitat II and out next month, will enumerate many of them from Islamabad to Dakar, from Manila to Rio. In each case, they have been worked out and implemented by the people of the cities themselves. For example, the people of Orangi, Karachi's largest slum, organised themselves into small groups of families and so improved their con-

ditions that infant mortality fell fourfold in nine years. Meanwhile Curitiba, a city of 2.3 million in Brazil, recycles nearly three quarters of its waste and has reduced pollution from cars by a third by concentrating on public transport.

Imposed "solutions" from outside rarely work. Those evolved by local people – especially women – succeed far more frequently and cost less. Much of Habitat II will be devoted to encouraging just such local initiatives. As the declaration from the Marmaris meeting put it: "There is no hope of addressing the crisis of towns and cities or of realising their potential to create solutions, without the full participation of their peoples. Decisions must be devolved as far as possible to the community level... Cities are successful if they are hospitable, participatory, equitable and in balance with the natural resource base they utilise. Some towns and cities have already taken substantial steps along this path, but the journey is only beginning."

Making Cities Work by Richard Gilbert, Don Stevenson, Herbert Girardet and Richard Sren (Earthscan, £30 hbk, £13.95 pbk)

Ankara revives old campaign

PHILIP ROBINS

No sooner had the European Parliament endorsed the creation of a Customs Union with Turkey last December, than Ankara returned to its campaign for full membership of the European Union.

The speed with which Turkish officials initiated the renewed push provoked exasperation from Western European diplomats. With the internal debate of the future of the EU just underway and a lengthening list of countries eager to join the club, European officialdom could have done without the prospect of more diplomatic harassment from Ankara. The European hope that Turkey would simply concentrate on making the Customs Union work was a forlorn wish. The diplomatic fencing match of the late 1980s looks set to return. Then, a formal application to join the EU in 1987 was parried by Brussels in a non-committal response two years later.

For the Turkish elite, strengthening relations with the EU is not about enhancing trade or pooling sovereignty. Indeed, the Turks, every bit as proud as the English, would most likely balk at ceding powers to the centre, should it ever come to that. For Atatürk's children membership of the European club is important because it would confirm Turkey as a Western country, even at a time when its Islamic character is asserting itself at both cultural and political levels.

European diplomats, who have spent much of the 1990s fretting at the Islamist challenge in Algeria, have conflicting sympathies. Neither they, nor the US administration, which is always eager to indulge in special pleading with the EU on behalf of the Turks, wants an Islamic party in power in Ankara. The argument for accession in order to consolidate liberal democratic values has already proved persuasive in the cases of Spain, Portugal and Greece.

This disposition towards Turkey is even deeper among Europe's leading members of Nato, such as Britain. For four decades, the Turks were willing partners in the containment of the Soviet Union. Turkey's importance could yet re-arrange if an ultra-nationalist wins the Russian presidential election. In the meantime, as it showed during the Bosnian war, Turkey has proved itself a reliable partner on the cusp of three unstable regions, the Balkans, the Transcaucasus and the Middle East. And Turkey could cause a lot of trouble for the West if it turned nasty.

But there are other factors to take into account. Turkey remains a pariah with the European human rights lobby. Ankara is unable or unwilling to be constructive over Cyprus. Turkey's economy is increasingly debt-ridden and unstable. Its burgeoning population, already 2 million strong in Germany, would flock to undercut workers' wages in Europe if given the chance.

Perhaps most importantly, the argument that Turkey is a European country whose rightful place is in the EU does not wash with most continental public opinion. The view from the omnibus or metro is that the Central Europeans and even the Balts must join first. At best, Turkey might squeeze into a Europe of 25 members, never one of 15.

All of this is just as Ankara fears. Its four decades of loyalty to the West is perceived as counting for little. The fact Turkey now has a Customs Union with the EU, unlike any other aspiring member, will not be the critical factor many Turks once supposed. Thus, the only thing to be done, it is reasoned in Ankara, is to press ahead with the membership bid. For the hard-pressed European official, placating Turkey without raising false expectations will be an extra burden to carry for a long time to come.

Philip Robins is a senior fellow of St Antony's College, Oxford

'The image of a foreigner was once a Martian'

Orhan Pamuk is Turkey's most famous living novelist. Hugh Pope met him in Istanbul to discuss Europe

The trademarks of Turkey's best-known contemporary novelist, Orhan Pamuk, are the perfectionism of his prose and an elegant interweaving of past and present as he explores the Turks' complex relationship with Europe.

Despite his ascetic public image, the corduroy-suited Pamuk has a big smile as he flops into an armchair. In many ways, he also speaks for a cosmopolitan new generation of Turks at ease in a limbo between the Islamic East and the Christian West.

"Turkey's place is in continuous flux," the 44-year-old Pamuk once said. "Turkey is constantly being moving towards Europe, becoming more Westernised. But a union will

never be realised. This limbo is what Turkey is and will stay for ever. This is our lifestyle."

Behind a desk cluttered with faxes from grand international publications, his shelves overflow with books including Persian poetry, American novels and Russian philosophy. The windows of his office also look down on one of the most splendid views of Istanbul, the sweep from the Golden Horn, past the Topkapi Palace down to the southern entrance to the Bosphorus waterway dividing Europe and Asia.

Between the ships on the waterway and Pamuk's study are the twin stone minarets of an Ottoman mosque. The balcony of one is adorned

with loudspeakers, and, five times a day, the muezzin lets everyone know when it is time to pray. Pamuk gives one of his deep laughs as his office echoes with the racket. "People are always asking me about the supposed paradox of girls in headscarves happily walking alongside girls all made up," he said. "What is important is the way things combine, elegantly, without fuss over their origins. This country, this Istanbul, is a coming together of things. People are comfortable with that."

Pamuk's work has been translated into 14 languages. Two of his five books, *The White Castle* and *The Black Book*, have appeared in Eng-

lish. A third, *New Life*, comes out soon after selling 180,000 copies in Turkish. But he is chiefly popular in Scandinavia, France, Germany and

Few Turkish authors have made such an impact outside Turkey apart from the ethnic Kurdish story-teller Yasar Kemal, now in his seventies. Only now is the country breaking out of the intellectual isolation of decades in which the state dictated culture, foreign travel was limited and international calls impossibly hard to make.

"The image of a foreigner was of a man coming from Mars," he said. "Some of that lingers on in central Anatolia. But it is changing, because of tourism, because of the 15 or

more television channels we have now, because people have the security of some money now. Turkey is integrating into the world."

Pamuk has also begun to speak out – and to be prosecuted for it – about restrictions on freedom of expression and oppression of ethnic Kurds in Turkey. He has given out pro-Kurdish papers on street corners, even when he does not agree with their contents. He says he does this out of a simple sense of justice, to shame those he calls the "bad guys" in the system.

"The approach that free expression will solve things is simply not present," Pamuk said. "The whole idea of culture has an ornamental ring

to it. In Turkey, first you solve your problem with a gun. Culture is something like a flower that you put on the table afterwards."

But Pamuk does not believe that the West is perfect, having come across both a simple prejudice against Turks based on ignorance and also a liberal prejudice that he says is much harder to deal with. "People lose their energy when it comes to being politically correct in dealing with Turkey. Take the books about Turkey being written now, most of it is racist rubbish," he says.

"Maybe it's because the Turks did not suffer much this century... but people don't pay attention to the details."

WHAT HAPPENS
IN ONE CITY
WILL DECIDE
WHAT HAPPENS
IN ALL OTHER
CITIES

That city is Istanbul.

The site of the second United Nations Conference on Human Settlements. Habitat II is a City Summit.

The reason for it is very simple. Unless we get it right in the cities, there is not much chance of solving all the other issues that confront us. But if most of the world's problems are to be found in the city, so are the solutions.

If you are part of the solution, then in June 1996 there is one city where you should be.

Istanbul.

Two weeks of Habitat II • Conference • Partners' Forums • World Assembly of Cities and Local Authorities; National Academies of Sciences and Engineering; Private Sector; Foundations; Non-Governmental Organizations; Parliamentarians; Labour Unions; Human Solidarity; Professionals • Dialogues • International Trade Fair • Exhibitions • Cultural and Social Activities



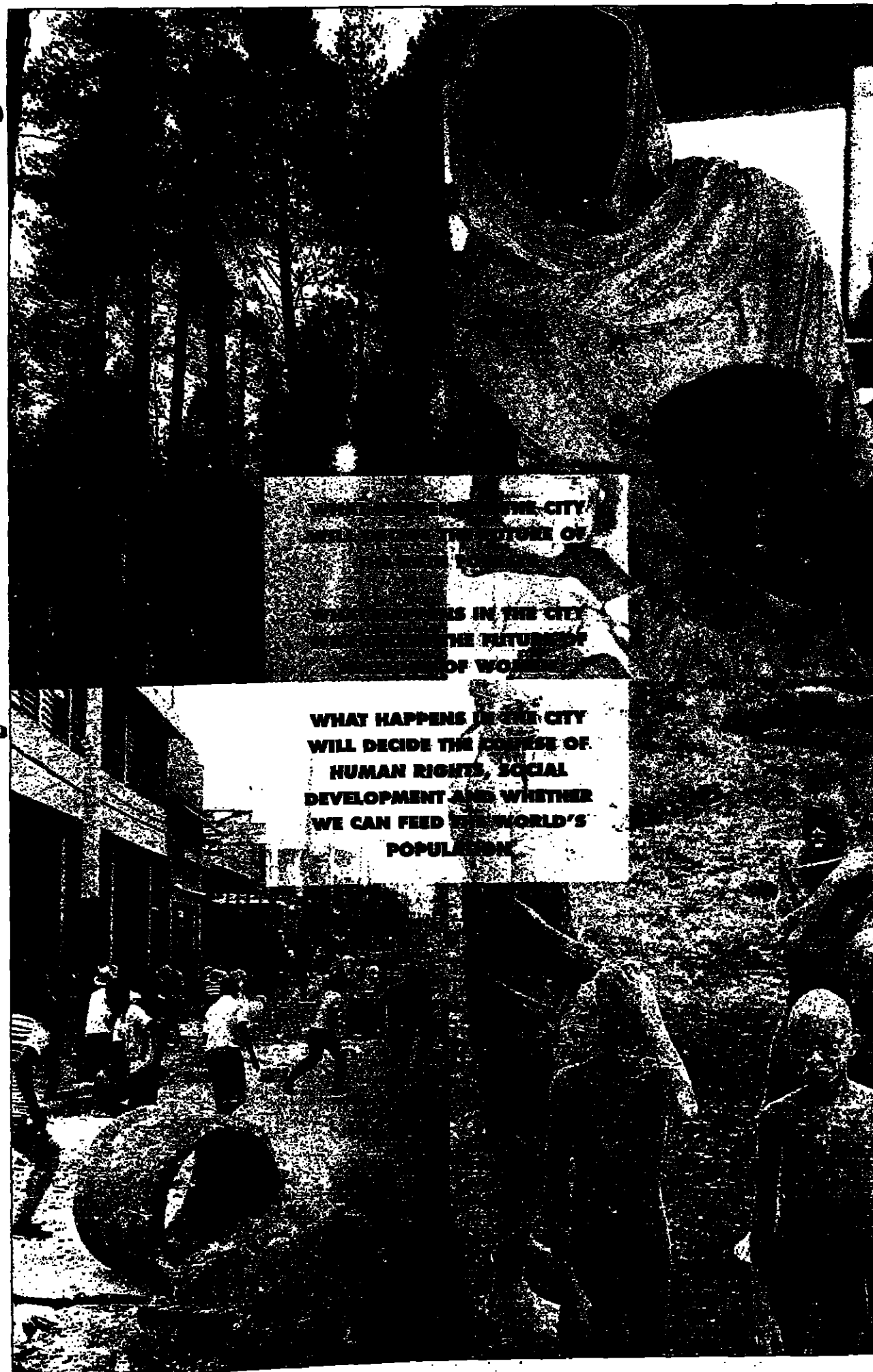
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SPONSORS



SUPPORTERS



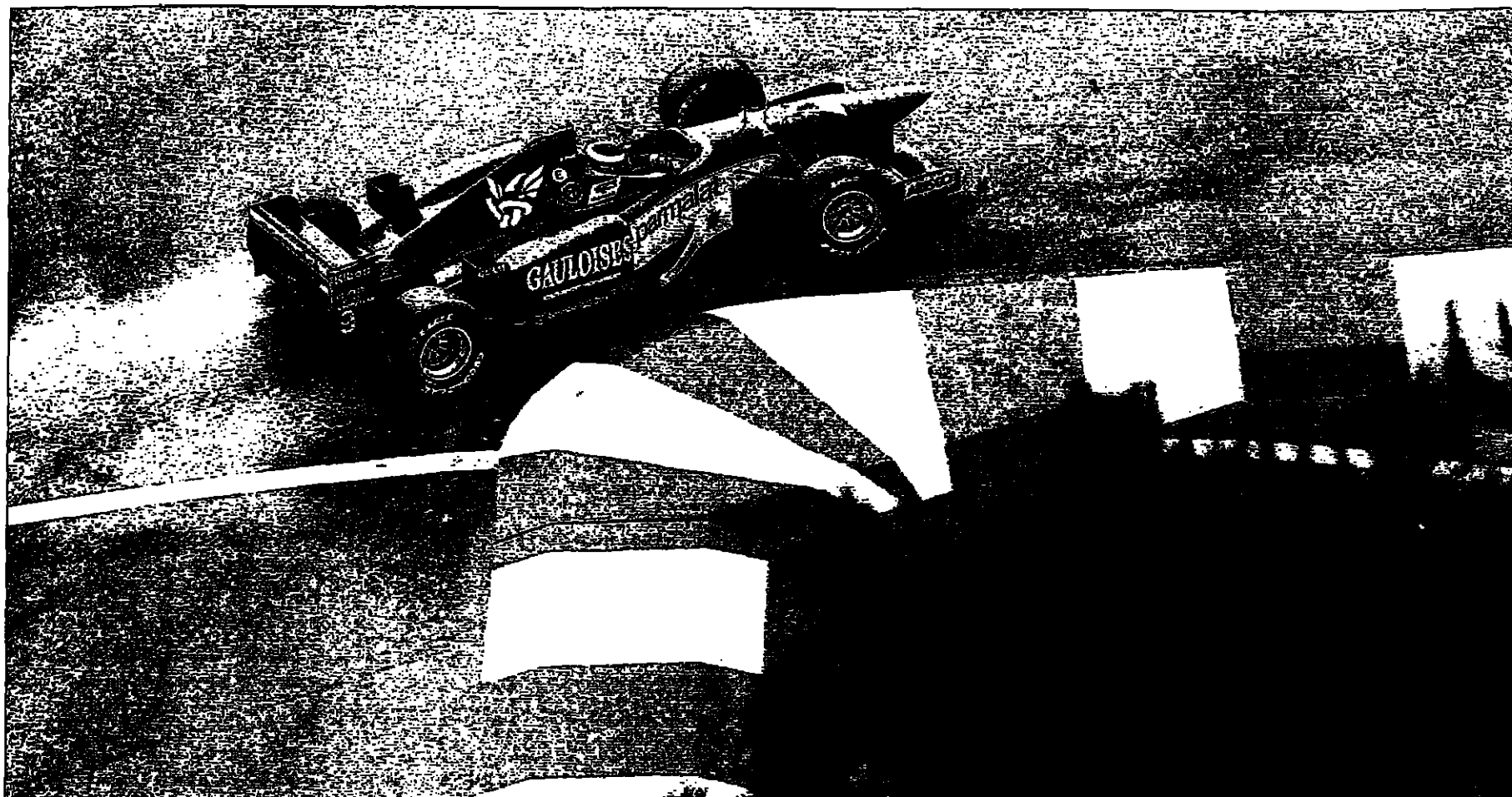
alone in Europe

nion has ed trade

F1 RACING

THE INDEPENDENT

FORMULA 1 DREAM TEAM



Olivier Panis surfs along the Monte Carlo seafront on the way to victory in the Monaco Grand Prix

Photograph: Mike Hewitt/Allsport

Grand Prix Shopping List

POINTS SCORED

DRIVERS	POINTS	POINTS
£25m		
1 M Schumacher	8	75
£23m		
2 J Alesi	8	61
3 D Hill	1	147
£20m		
4 G Berger	0	52
£18m		
5 D Coulthard	21	52
6 E Irvine	5	51
7 J Villeneuve	0	86
£13m		
8 M Hakkinen	18	45
9 H H Frenzen	18	23
£10m		
10 M Brundle	0	16
11 R Barrichello	-3	47
12 J Herbert	24	33
£6m		
13 M Salo	18	46
14 P Lamy	-4	25
£4m		
15 P Diniz	0	35
16 U Katayama	0	9
17 J Verstappen	-2	7
18 O Panis	44	69
£3m		
19 L Badoer	0	-1
20 R Rosset	0	12
21 A Montermini	0	2
£2m		
22 G Fisichella	-5	-3
23 V Sospiri	0	0
24 T Marques	0	-5
25 F Lagorce	0	0
26 H Noda	0	0
27 T Inoue	0	0
£1m		
28 M Blundell	0	0
29 J-C Boullion	0	0
30 K Brack	0	0
31 K Burt	0	0
32 E Collard	0	0
33 N Fontana	0	0
34 D Franchitti	0	0
35 N Larini	0	0
36 J Magnussen	0	0
37 A Prost	0	0
38 G Tarquini	0	0
39 K Wendlinger	0	0

The latest scores and results

Just when things were getting rather predictable, along comes a grand prix demolition derby to turn the established order upside down. Only three drivers were still circulating at the end of an enormously entertaining Monaco race and the one in first place, the Frenchman Olivier Panis, was winning his first race at the top level, and securing the Ligier team's first victory since 1981. But for all the carnage, this was a well-deserved win. Although he started from a lowly 14th place on the grid, Panis was fastest in the morning warm-up session, and was one of the quickest drivers on the circuit during the race, comfortably holding off David Coulthard in the closing stages. Dream Team managers who selected him - for just £4m - must have been holding their breath as he reeled off the final laps.

Other, more expensive drivers had costly failures. Michael Schumacher, the £25m man, slid gently but terminally into a barrier before he had even completed a lap, and both Damon Hill and Jean Alesi were unfortunate to break down when comfortably in the lead. The only driver out of the top drawer to prove his worth in Monte Carlo was David Coulthard, who seems to be maturing into the de facto leadership of the McLaren team. Cheaper drivers proved better value, in particular the Sauber pair of Johnny Herbert and Heinz-Harald Frentzen. Herbert will have been encouraged by his first podium position for the team, and the more so because he headed home his much admired young German team-mate. Frentzen may well have won the race had he not lost patience behind Eddie Irvine's

DRIVER OF THE DAY: OLIVIER PANIS

No doubt about the driver of the day: to record your first grand prix win at Monaco is a very rare achievement, and Olivier Panis deserves the accolades he received from the largely French crowd who crammed the yachts and roadsides of the Principality. There have been other highlights in Panis's relatively short grand prix career - notably an inherited podium place at Hockenheim - but he is thought of as one of Formula One's journeymen, certainly quick enough to hold on to his place, and comfortably quicker than the one man he must be sure to beat every weekend,



his team-mate, the wealthy Pedro Diniz. The victory will ensure Panis's place with Ligier for as long he wants to drive for them. The team has been in the doldrums for years, and recently suffered a severe blow when Tom Walkinshaw sold his stake and moved to Arrows, taking a lot of sponsorship money with him. Now happy days are here again for the French outfit and their personable lead driver. If it was a lucky victory, it was still well-deserved, and in Formula One, especially at Monaco, you make your own luck.

cumbersome Ferrari and rearranged his nose cone against the red car's rear wheel. Irvine had a miserable time in Monte Carlo, making himself thoroughly unpopular by holding up most of the field in the early

stages before wiping out Mika Salo and Mika Hakkinen towards the end of the race. But Irvine was positively virtuous compared to the Minardi drivers, Pedro Lamy and Giancarlo Fisichella, who managed to crash into each other on

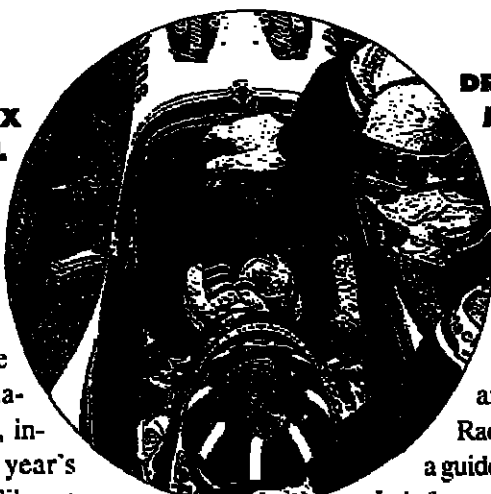
the first lap of the race. Team boss Giancarlo Minardi was beside himself. "In 12 years of Formula One I have never seen anything like this," he fumed. But no one in the last 12 years has seen a race like last Sunday's.

WIN a drive in a Grand Prix car

The Dream Team manager with the highest number of points at the end of the Grand Prix Championship season will win our top prize - a drive in a 650bhp F1 car. You will be flown to the AGS team's training school in the south of France for the most exhilarating experience of your life. The school specialises in F1 courses and provides all the racewear and instruction you will need for a day driving F1 and other single seat cars.

INDIVIDUAL GRAND PRIX PRIZES STILL TO BE WON

There are also prizes to be won with each grand prix race. Prizes range from trips to major grands prix, including this year's British race at Silverstone, to a day out testing with the Tyrrell Formula One team.



DREAM TEAM MONACO GRAND PRIX PRIZE WINNER

Congratulations to Cameron McLaughlan, from Cheltenham, and his team Fast Racers. He has won a guided tour round the Lola factory, where he will see to a day out testing with the Tyrrell championship-winning racing cars being manufactured.

Overall Top 50 Dream Teams

Fifty teams are in joint 1st position with 288 points.

- 1 Phil's Fliers
- 1 The 7 Percenters
- 1 Follow Me Please Racing
- 1 Drack
- 1 Hill's Decline
- 1 Stagnant 3
- 1 Smith Sizzlers
- 1 Emily Zoom
- 1 Track Suit Racing UK
- 1 Eagle Racing
- 1 Skidlids
- 1 Team Shambles
- 1 Overdrive
- 1 Ecurie Hard Bag
- 1 Diesel Dreamers

- 1 Vernotti Racing
- 1 Cockney Racers
- 1 Rice F1
- 1 Bryan's Bullets
- 1 Nicstone Racing
- 1 Jack Vurchell Ford
- 1 Inglis Team
- 1 Sicol Racing
- 1 Team Muttley
- 1 Nathan
- 1 Suths
- 1 Ollie's Team
- 1 Downhill Racer
- 1 Charlton Lamb
- 1 Dave's Drivers
- 1 Ed Narley
- 1 Team Milne
- 1 Go Willit Go
- 1 Sandow 2
- 1 Piston Broke 2
- 1 The 85 Bears

- 1 Girdler's Grid Stars
- 1 The Dukes of Hazzod
- 1 Mystic Murray's F1
- 1 Phoenix Racing
- 1 PJB Racetec
- 1 Micro Power
- 1 Wilkys
- 1 Hilliams
- 1 Orkney F1 GP
- 1 Ruddock's Racers
- 1 Ascending Mode Alfa
- 1 JTF 1
- 1 Aphex Twin Carbs
- 1 Larkeys Magic

CHASSIS

£20m		
40 Benetton	0	60
41 Williams	0	99
£18m		
42 Ferrari	10	81
£15m		
43 McLaren	16	71
£14m		
44 Sauber	14	21
45 Jordan	-4	29
£10m		
46 Ligier	20	50
£6m		
47 Tyrrell	12	29
£5m		
48 Arrows	-3	-4
£3m		
49 Minardi	-5	-14
£1m		
50 Forti	0	-7

ENGINES

£28m		
51 Renault	0	100
£18m		
52 Ferrari	12	90
£15m		
53 Mercedes	16	82
£12m		
54 Peugeot	0	43
£10m		
55 Mugen	20	79
£8m		
56 Ford V10	14	37
£6m		
57 Yamaha	13	39
£4m		
58 Hart	0	13
£3m		
59 Ford Zetec V8	0	0
£2m		
60 Ford ED V8	0	22

WIN TICKETS TO SILVERSTONE: GET THE INDEPENDENT ON THURSDAY 30 OR FRIDAY 31 MAY TO REGISTER FOR THE SPANISH GRAND PRIX

مكتبة النور

sport

The start of the international season should be a time for optimism and harmony. The optimism is there, but the harmony? No chance

The start of the international cricket season ought to be a time for optimism and harmony. The optimism is there: England are the bookies' favourites to win the Texaco Trophy, despite having lost 10 of their last 11 serious one-day matches. David Lloyd has already put a smile back on the face of the national squad. But... harmony? No chance.

After a winter like England's, the unmitigated need is to move on. So what does Raymond Illingworth do? He spreads himself all over yesterday's *Daily Express*, not only looking back at the winter, but raking up one of its worst aspects - his rift with Devon Malcolm. If there is one thing a manager should never do, it is slag off players in public. But if there is

one thing Ily can't bear, it's the idea that someone else is going to have the last word. On his return from South Africa, Malcolm gave the *Express* his version of events. Ily had already given him to all and sundry, but that was not going to stop him having another go now.

To be fair, Ily had a book contract, and he could hardly ignore the Malcolm issue. He also felt let down by the Test and County Cricket Board's decision not to punish Malcolm for his outburst. But these are no reasons for hanging out his dirty washing at this moment. The book could have been held back until Ily retires at the end of the season.

The content of the extract was not very revealing. Only two passages caught the eye.

One was where Ily strongly rejected the suggestion that he told Malcolm to "f--- off" at news before the fourth Test in Port Elizabeth. He actually told him to "p--- off". A concession, no doubt, to the fact that it was Christmas Day.

The other passage is more serious. Ily is convinced that Malcolm's waywardness lost England the fifth Test, and the series. It is one point of view, although the defeat may also have had something to do with the way England won the toss, batted and made only 153 (66 of them from Robin Smith, another of the chairman's scapegoats).

Then he says this: "What more could he [Malcolm] ask for? A new ball against a No 11, Paul Adams, with an open



BEYOND THE BOUNDARY

TIM DE LISLE

cheque to run in and knock him over." He continues: "I couldn't believe what I saw. Adams got only one proper bounce from Malcolm, who had been ordered to pepper him."

This is something far more shameful than man mismanagement. What Malcolm was being asked to do was break the laws of cricket. Law 42 states

that bowling bouncers is unfair if it is "intended or likely to inflict physical injury on the batsman" whose "relative skill shall be taken into consideration". Adams was believed, at the time, to be a "rabbit". In his only Test, he had made 0 and 0 not out. If these were Malcolm's orders, he was right to disobey them.

What I wonder is who issued them. Normally it would be the captain, but Mike Atherton, although he is a steady competitor, does not believe in roughing up tail-enders.

He too has a book out, the paperback of *A Test of Cricket: Know the Game*, and on page 179 he discusses the way Courtney Walsh bowled at England's No 11 in Kingston, 1994. "That was blatant intimidation of a batsman who was unable to defend himself," Atherton argues, "yet the umpire did nothing about it." The batsman was Devon Malcolm.

The TCCB received Illingworth's book on Monday, and reportedly deputed Donald Carr, a senior mandarin, to read it. Ily may get a rap on

the knuckles for badmouthing players. He is extremely unlikely to get one for the more serious offence of encouraging unfair play.

Not that he is alone in this. This was the second time in two days that the question had arisen of what is and isn't cricket. On Monday afternoon, Dermot Reeve, captain of all-conquering Warwickshire, repeatedly threw away his bat as Hampshire's Raj Maru bowled slow left arm over the wicket into the rough.

So is the sort of batting usually provoked - padding the ball away, knowing that you can't be lbw. The danger is that you can be caught off pad and glove, but only if the glove is attached to

the bat. Reeve's play got round this. It was typically inventive, and totally unsporing.

Warwickshire are admirably open-minded. Yesterday, while other counties enjoyed a day off, a dietitian was at Edgbaston to tell the players' wives and girlfriends what their men should be eating. (The idea that the men might do the cooking is too modern even for Warwickshire.) But batting without a bat is going too far. It is an insult to the spectator and a travesty of sport.

The good news on yesterday's cricket pages lay in the scorecards. Warwickshire lost and Derbyshire won, with Devon Malcolm taking 6 for 52. So there is some justice.

Tim de Lisle is editor of *Wisden Cricket Monthly*

Brown rewarded for purple patch

By many people's reckoning, Alistair Brown is at least a year behind schedule - and it shows. The brutal manner in which the Surrey batsman has set about the bowling this season, which has made thrilling box office, suggests a man no longer willing to wait for his destiny to be shaped by others.

It has also paid off. Brown being named in England's Texaco Trophy squad for the three 50-over games against India starting tomorrow. But should he feel moved to thank anyone, then Sanath Jayasuriya, Sri Lanka's savage opener, ought to be first on his list. After all, it was Jayasuriya's unsimulated demolition of England's bowlers in the World Cup group match at Faisalabad that finally opened sceptical eyes to the value of positive hitting.

In 1993, this correspondent was fortunate enough to play in a six-a-side competition in Singapore where both men played. Brown, his appetite whetted by the international competition, managed to eclipse the Sri Lankan, smiling one enormous six well over a hundred yards on to the steps of the old town hall. Two and a bit years later, as Brown gets his first chance, Jayasuriya is a global household name.

If the two differ at all, it is in execution rather than intent, with Brown sometimes swinging himself off his feet trying to clear the stands, when a firm chip over the in-field would suffice.

Mind you, Brown, now 26, has rarely played any differently. Indeed, the sureness of self and the high Victor Trumperish swing of a bat intent on murderous deeds were both in evidence long before his first-class debut back in 1992. That was the year he announced himself as a rare talent, scoring three of the top 10 fastest hundreds of the season; a feat that managed to split scrutinisers into opposing camps. You either marvelled at an Ally Brown innings or tut-tutted with those who felt it could not last.

Unfortunately for Brown, Graeme Clinton, his coach at

A rejuvenated Surrey batsman is ready to take on the world, says Derek Pringle

Surrey last year, appeared to fall among the latter. Clinton dropped Brown after a drawn game against Glamorgan. Surrey were bottom of the Championship table at the time and Brown, trying to win the game, had got out in a run chase for 92. His absence from the following game at Lord's had the Middlesex bowlers dancing jigs of delight in the Long Room.

Broken lines of communication between coach and player are common complaints in any sport. By tempering Brown's risk-taking, Clinton clearly felt he could turn Brown into a consistently better player; a common enough misapprehension for those who feel they need to justify themselves - particularly to employers - in terms of adjustments made to others.

But tinkering, however well-intentioned, can destroy spirit and what goes on in the mind is probably the most crucial part of a player's make-up. And what had gone on in Brown's head - and has now thankfully returned - is a cocky delight in humiliating bowlers and a flair for hitting the ball hard, straight and often - a penchant Clinton's perverse, although well-meaning, kick up the backside almost destroyed.

"Being dropped a couple of times without explanation last year began to affect me," Brown says. "My confidence was as low as I can remember it and I even started to doubt myself."

"By the end of last season, I couldn't wait to put my cricket kit into the attic and do something else." In fact, he spent the winter coaching and talking cricket in schools around Surrey and playing football at the weekends to keep fit.

It did not fill Brown with any confidence, either, when he heard Surrey were proposing to sign the South African, Brian McMillan, and he raised the situation when he met with Dave Gilbert, the Australian who has replaced Clinton as Surrey's coach this season.

"When I first arrived, I sat down with all the players on a one-to-one basis," Gilbert, a former Test bowler, said. "What struck me most about Alistair, considering his excellent record and reputation, was that he seemed very concerned about where he stood in the scheme of things."

This surprised Gilbert, who told him he was an integral member of the side. "Most of us watching the Sri Lankan openers in the World Cup liked what we saw. Now the same rules apply over here, I thought we could use Ally and David Ward like that. There is a licence there and, over the past few seasons, he's used it in Sunday League cricket. I just hope it's going to be his brief for England too."

Gilbert's genial informality is attributed to providing much of Surrey's sparkle this season, and Brown is the first to admit the Australian helped him to "come back hungry." Even Chris Lewis - one of four Surrey players in the England squad - is reported to be happy, merrily taking his fair share of stick in the dressing-room.

So far, the buzz has become infectious and, along with Gilbert's license to be positive, has certainly helped Brown in his role as a pinch hitter. His form in the early Benson and Hedges Cup games, with a quickfire hundred against Sussex and two other scores above fifty, has been irrefragable.

"I'm feeling strangely relaxed about the whole thing at the moment," he said, while awaiting his turn to launch into a golf ball - he plays off 12 - at a team-mate's benefit event.

"Being at The Oval for the first game will definitely help, especially as I now change next to Thorpey [Graham Thorpe], he said. "When I got picked, he phoned me up and said: 'I'm glad to see some of my luck's rubbed off on you, then.' I thought: 'Yeah, perhaps I should have sat there sooner.'"



Hitting out: Alistair Brown adopts a typical position for Surrey

Photograph: Jan Traylen/Patrick Eagar

India's captain injures finger

Cricket

MICHAEL AUSTIN reports from Luton Indians 225-9 Northamptonshire 195-5 Northamptonshire win on faster scoring rate

Just as the Indians were completing preparations for the Texaco Trophy series against England, Mohammad Azharuddin, their captain and master batsman, sustained a bruised right index finger when struck by Tony Penberthy yesterday. Azharuddin, whose bowlers failed to prevent Northamptonshire from reaching a revised target with seven balls to spare, admitted: "There is some worry about the finger. It is sore and grazed and I shall have to see how it feels tomorrow," the day before the opening match against England at The Oval.

Despite Mal Loye's match-winning 83 with nine fours from 95 balls, the tourists enjoyed a productive day with Sachin Tendulkar's innings of 88 from 108 balls, featuring 10 fours, the centrepiece of their performance. Five of the potential six top batsmen for the one-day games have hit a hundred on this tour.

Tendulkar was fourth out, beaten by Paul Taylor's underarm direct hit. Taylor also bowled steadily and Penberthy did other damage, apart from that to Azharuddin, by returning 4 for 42 and dismissing Sunil Joshi, Anil Kumble and Paras Mambrey in the space of four balls.

Two wickets in five overs strengthened Mambrey's prospects of making Thursday's team. He bowled David Capel, leg stump, and had Tim Walton athletically caught at boot-lace height by Sanjay Mandrekar at short square leg.

Loye's partnership of 93 in 24 overs with his captain, Rob Bailey, sustained Northamptonshire. When they were parted, 59 was still needed from eight overs. It offered the perfect platform for Kevin Curran, whose lusty strokeplay brought the final impetus for victory over the previously unbeaten tourists.

CHAMPIONSHIP COUNTDOWN: No 3 Denmark

Holders may lack all-round quality

"We Can Do It" proclaims the title track of a CD on sale in Copenhagen's megastores, featuring one Peter Schmeichel. After the manner in which Denmark won Euro 92, having been dragged from their holidays to fill a place created by the expulsion of Yugoslavia, it might be unwise to doubt him.

The official line, articulated by the coach, Richard Moller-Nielsen, is that it will be harder to defend the trophy than it was to win it. Denmark are drawing on a population that is on a par with Scotland's and they have only three full-time clubs. For the rest of Europe, moreover, forewarned is forearmed.

On the other hand, the

team is theoretically better than the one in Sweden, who had failed to qualify. En route to England, they lost just once, in Spain, before securing their place with a fine win in Belgium. Schmeichel is still there, having enjoyed a phenomenal season, while Brian Laudrup will be joined by big brother Michael, sole survivor of the "Danish Dynamite" squad of the 1980s.

Michael, 32 this month, is to play in Japan next season after leaving Real Madrid. On the evidence of his virtuoso display as playmaker against Scotland in April - when he evoked images of Cruyff and Maradona as well as scoring his 35th international and creating Brian's 11th - it is a preposterously premature step into football's equivalent of the elephants' graveyard.

Player to watch

The Scotland bench wondered how Beck made Denmark's side while Erik Bo Andersen, the Rangers striker, and Bent Christensen, a hit in Spain, were in the B squad. The 23-year-old, emerging from the German Second Division, answered by providing a powerful, pacy foil to the rapturously thrusted of the Laudrups. Middleburgh and Rangers will lead those monitoring "the new Proben Eljaser".



Mikkel Beck (Fortuna Cologne)



Euro 96 will therefore be the swansong for both the elder Laudrup and the coach with whom his petty feud robbed Denmark of their best player four years ago. Moller-Nielsen takes charge of Finland after the finals. The draw appears to have given the now-reconciled pair a chance to go out on a high, although the Danes, better than anyone, should understand the folly of underestimating Croatia, Portugal or Turkey.

As holders, Denmark have the advantage of playing all their first-phase fixtures at the same venue, Hillsborough. In terms of playing style, they have much of the fluidity of the Dutch. The sweeper, either Jes Høgh or Lars Olsen, will perform the progressive half of that role as well as being last line of defence. The wing-backs, likely to be Derby target Jacob Laursen and Italian-based Thomas Helveg, must threaten and thwart alike. Mikkel Beck

is likely to be the most advanced forward, with both Laudrups striking from deep positions. Schmeichel, the brothers and Kim Vilfort apart, Denmark are short of big-tournament experience. That worked in their favour last time, of course, and also means they are not depending on tired old legs. All-round quality might be a problem, however, and the 2-0 defeat in Germany a month before they beat the Scots by the same score may prove an accurate pointer to their prospects in the longer term.

Phil Shaw

PROBABLE SQUAD

Goalkeepers	Defenders	Midfielders	Forwards
Peter Schmeichel	Jens Høgh	Brian Steen Nielsen	Michael Laudrup
Thomas Helveg	Lars Olsen	Michael Schjønberg	Kim Vilfort
Thomas Helveg	Thomas Helveg	Peter Nielsen	Thomas Helveg
Thomas Helveg	Thomas Helveg	Thomas Helveg	Thomas Helveg
Thomas Helveg	Thomas Helveg	Thomas Helveg	Thomas Helveg
Thomas Helveg	Thomas Helveg	Thomas Helveg	Thomas Helveg
Thomas Helveg	Thomas Helveg	Thomas Helveg	Thomas Helveg
Thomas Helveg	Thomas Helveg	Thomas Helveg	Thomas Helveg
Thomas Helveg	Thomas Helveg	Thomas Helveg	Thomas Helveg

Britain allow Nicholls' goal to be wasted

Hockey
BILL COLWILL
Great Britain
Argentina 2-1

Great Britain were beaten by Argentina in the first of their two-match series at the Lille-sall National Sports Centre yesterday.

Britain took the lead within five minutes when Mandy Nicholls, winning her 100th cap, put them ahead. The Argentines equalised in the 14th minute, Jorge Molina Rimoldi slamming the ball home after good work by their captain, Gabriela Sanchez. The game then settled into a midfield battle but, with five minutes remaining, an unnecessary foul gave the visitors their second penalty corner. Sofia Mackenzie's initial shot was smothered by Hilary Rose only for Vanino Oneto to drag it out and push home for the decider.

Great Britain: H Rose (Sutton Canada Lyle); J Adams (Glasgow Swifts), G Fraser (Glasgow); K Johnson (Glasgow); J Marshall (Belmont Lions); P Robertson (Glasgow); M Davidson (Sutton Canada Lyle); C Cook (Glasgow); H Mitchell (Glasgow); R Simpson (Glasgow); T O'Brien (Haguenau); Substitutes: J Skene (Sutton Canada Lyle); L Gifford and G Macgregor (both Gifford).

England look to future with choice of Farrell

Rugby League
DAVE HADFIELD

The Wigan loose forward, Andrew Farrell, will lead his country shortly after his 21st birthday in this season's European Championship.

Farrell was named yesterday as England's captain for the tournament next month, with a strong hint that he could also captain Great Britain on their Southern Hemisphere tour in September and October.

"We have half a dozen club captains in the squad, but I am looking to the future and for continuity," Phil Larder, the England coach, said.

"It's important that we have someone who, unless there is a massive loss of form, will be in the starting line-up for both England and Great Britain."

"Andy falls into that category. He has the respect of the players and I was very impressed by the way he captained England in the Fiji Nines."

Farrell, who does not reach the age of 21 for another eight days, is thought to be the youngest player to captain England or Great Britain, but the records are vague over whether

Harold Wagstaffe may have led England at an even younger age before the First World War.

Farrell's main rival for the job was Bobbie Goulding, who has captained St Helens with great success so far this season.

Ironically, Farrell's selection leaves the door to an international recall ajar for his club captain, Shaun Edwards, who could contest the scrum-half role with Goulding.

The Welsh coach, Clive Griffiths, has warned that their national side could collapse unless the Rugby League gives the go-ahead for a side based in Cardiff to join the Super League next season.

"If we have a Super League side, there will be no reason any more for players like David Young and Scott Quinnell to be lost to rugby league," Griffiths said. "But players, sponsors and everyone else in Wales need to know."

The chairmen of Super League clubs have already given their approval to the idea of fast-tracking the South Wales side into the top division, but that cannot be confirmed until the next meeting of the Rugby League Council, which is not until 3 July.

Griffiths fears that delay can only harm Welsh prospects and would like to see that meeting brought forward.

Wales, the reigning European champions who play the opening match of the tournament against France in Carcassonne on 5 June, have confirmed Young as their captain, despite his contract to return to rugby union with Cardiff next season.

"It never crossed my mind to drop out of the European Championship," Young said. "Ideally, I would like to carry on playing rugby league for Wales even after I go to Cardiff."

Meanwhile, France have player-drain problems of their own. Paris St-Germain's Polish prop, Gregory Kacala, has already left to play rugby union for Tannes, while the New Zealand-born second row forward, Darren Adams, is also a target for union clubs.

Leeds, whose victory over Paris is one of only two in Super League, are hoping to sign the Huddersfield back, Marcus St Hilaire.

"We are interested, but not at the price Huddersfield want," Hugh McGahan, the club's football manager, said.

مكتبة الامير

Illingworth may face disciplinary action

Cricket

DAVID LLEWELLYN

Ray Illingworth faces a possible reprimand and fine from the Test and County Cricket Board following an official complaint by Derbyshire over comments made by England's chairman of selectors about Devon Malcolm.

Derbyshire fast bowler and underdog of South Africa last winter, Malcolm was severely reprimanded by the TCCB for a series of newspaper articles during the winter in which the player made his claims.

In his book Illingworth denies Malcolm's claims and insists that he had only been trying to improve him as a bowler. "I honestly don't think I could have done any more," he writes. "I admit I failed with Malcolm but so has every man in the England set-up over the past seven years. I tried everything from

talking quietly to coaxing and then the odd bollocking."

He denies that the England management had tried to change Malcolm's action and is severely critical of his performance in the final Test. In particular, he criticises Malcolm for bowling "only one proper bouncer" at Paul Adams, South Africa's No.11, when he had been "ordered to pepper him".

Illingworth will have to wait an unspecified amount of time before he discovers what punishment - if any - will be meted out to him by the disciplinary committee. In a statement issued last night, the TCCB said that the contents of the book will be drawn to the attention of the disciplinary committee, chaired by Gerard Elias QC, the Glamorgan vice-chairman.

It is not merely the content that is bothering Lord's, but also the fact that Illingworth went ahead with the book while still under contract to the TCCB, who are reported to be upset that Illingworth did not let them see a draft of his opus. Unlike players and umpires, Illingworth, as chairman, is not required to submit any book or article for the TCCB's approval

prior to publication. It is assumed that he can regulate himself. But once it is in print, he becomes subject to the Board's regulations.

A defiant Illingworth said last night: "If people are thinking there is a case to answer then I'm prepared to answer it. I don't think I've slagged anyone off. I think I've been fair. Let people read the book properly first."

"I have used my right of reply to Devon, which I have not had up to now. I'm a little bit sad about the timing of it. The book was due to come out at the end of last year initially, but we

got it put back to this summer. The publishers didn't want to wait until after I'd finished. And they have a right to publish it whenever they want."

One leading county administrator in the shires said last night: "We are trying to make a clean, fresh start and to have the spotlight back on Raymond Illingworth is not going to do anyone any good. It's bound to make him defensive and that doesn't help anyone when we are trying to be positive and trying to go forward."

It has been an unhappy time for Illingworth. After a woeful winter in South Africa, followed by the World Cup misery, English cricket was looking for a new start for this summer. But then came the elections for England selectors, with David Graveney initially standing against Illingworth and the counties failing to vote for those who were understood to be the chairman's preferred candidates.

Illingworth's book, *One Man Committee*, is due to be published on 13 June. To underline the growing tendency of publishers to adjust the timing of the appearance of their books,

there is another contentious tome awaiting the arrival of the Pakistan tourists later this summer.

But, as one leading London publisher said yesterday: "They are being totally commercial. They will have paid Illingworth and Jack Bannister a fairly hefty advance and need to recoup that, and hopefully more, as quickly as possible."

Warwickshire have been forced to change the pitch for England's first Test against India next month because of problems with uneven grass growth. Tim de Lisle, page 28

GOLF: The world's richest tournament attracts a tiny crowd to watch two Scotsmen enjoy contrasting fortunes



Water, water everywhere: Sam Torrance was wayward at the 10th hole but kept a cool head to beat Colin Montgomerie in the Andersen Consulting final yesterday

Photograph: David Ashdown

Montgomerie tamed by Torrance's talent

Golf

TIM GLOVER reports from Thame

Never in the history of sport have so few turned up to watch a handful of players competing for so much. Sam Torrance defeated his fellow Scot Colin Montgomerie 3 and 1 in the final of the European leg of the Andersen Consulting World Championship of Golf at The Oxfordshire yesterday and won a basic \$300,000 (£200,000).

The matchplay tournament is a global event contested over 11 months at five courses on three continents and by his victory here Torrance goes into the grand final with three

others in Arizona in January. If he wins there he will pocket \$1m.

"I wasn't thinking of the money," Torrance said. "I'd have swapped today's result for last year's Order of Merit." The Scotsman had a battle royal to determine Europe's No 1 last season with Monty prevailing at the death. Yesterday afternoon Montgomerie, who won \$150,000, gave the impression of being sick of the sight of The Oxfordshire.

Last week he played in front of a thousand, yesterday's audience was about 500. "I didn't play well from my first drive to the last putt," Monty said. "It was not just that you were playing for so much

money. There was a bit of tension. The worse I got the more confident Sam became." Torrance won the 7th, 8th and ninth holes with an eagle and two pars and although he was in the water at the 10th and the 11th he kept a cool head.

The two Scotsmen had enjoyed a leisurely lunch, winning their semi-finals in the morning. Torrance had disposed of Miguel Angel Jimenez 6 and 4, he had recorded six birdies; when Monty defeated Bernhard Langer 4 and 3 he had four birdies and an eagle. "I didn't play badly," Jimenez said, and that spoke volumes for Torrance's form.

The Oxfordshire, regarded by some as virtually unplayable during the final round of the Benson and Hedges International on Sunday, was a different animal for the Andersen Consulting. By comparison it was the Thamest of beasts. Montgomerie, who had sand kicked in his face on Sunday when he scored 84, went to the turn two up against Langer but appeared to be in trouble at the 10th.

He hit his approach shot into a bunker. These are the same bunkers that Monty cursed last week, incurring a two stroke penalty for kicking sand at the 13th in a traumatic final round. When he stepped into the trap his feet sank

about a foot and he was so annoyed at finding his ball plugged that he lashed out with his Footjoys. It was construed as "testing the hazard."

But that was more like a hazardous guess. The alternative would have been to fine him for unprofessional conduct. Yesterday morning Monty's bunker shot at the 10th hit the flag (it would have gone about 20 feet past) and the ball dropped into the hole. Langer, on in two, missed from 12 feet and lost the hole with a four to a three.

At the next Monty holed a putt from 60 feet for an eagle. Langer was excellent from tee to green but he couldn't make a putt. "I wasn't yipping them,"

he said, "but pushing them and pulling them." A subtle difference but the result is not dissimilar.

The Andersen Consulting is the world's richest tournament with prize money of \$3.65m. It did not have the greatest impact last year when Barry Lane won \$1m in the final in America on New Year's Eve. This time the final has been put back to 4-5 January. "At least I'll be able to have a few on New Year's Eve," Torrance said. On 4 January he plays Scott Hoch, the winner of the American leg, in the semi-finals and in the other semi-final Hisayuki Sasaki meets the winner of the international leg which will be played in July. That field of eight includes

Greg Norman, Nick Price and Ernie Els.

Norman, the world No 1, has agreed to play despite the fact that the sponsors declined his request to pay for the fuel for his private jet. The field here was diluted by the absence of Ian Woosnam and Nick Faldo. Woosnam, asked to substitute for the injured Jose-Maria Olazabal, declined while Faldo asked for appearance money. Considering that the first-round losers received \$20,000, the sponsors felt they had already put quite enough into the pot.

ANDERSEN CONSULTING WORLD CHAMPIONSHIP OF GOLF (The Oxfordshire, Thame): Semi-finals: S Torrance (500) bt M A Jimenez (50) 6 and 4; C Montgomerie (500) bt B Langer (500) 4 and 3. Final: Torrance bt Montgomerie 3 and 1.

Chance to spot the new balls

Tennis

JOHN ROBERTS

Thanks to a luminous dye on the yellow balls, players, spectators and television viewers may have a better chance of spotting the big serves at Wimbledon next month.

The hope is that competitors, given fractionally more time to see the missiles, will be able to return them with greater accuracy and regularity and restore the lost art of rallying on grass.

That is asking a lot. The balls, although cloaked in day-glo like the Andre Agassi of old, will be identical to the ones used at the All England Club last year.

Those were slightly depressed and marginally slower than the ones used in previous years, but players only noticed a difference in cold conditions.

Tests initiated by the Lawn Tennis Association, with the co-operation of the ATP Tour and the International Tennis Federation, may eventually result in a ball to counter the power of modern racket technology on grass.

The Stryzenger high visibility ball which is to be used at Wimbledon and the tournaments leading up to the championships, was introduced at the Australian Open in January.

"Players commented that it looks bigger and was easier to pick up," Terry Moore, Stryzenger's international tennis ball manager, said. He added: "Line calls were easier because the ball contrasted better with court surfaces."

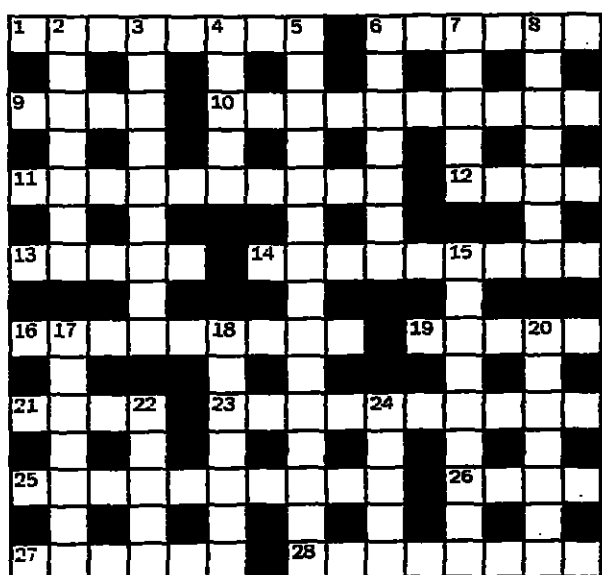
Pete Sampras, the Wimbledon champion, reckons that big servers such as Goran Ivanisevic would still serve aces with a basketball. He had not considered a fluorescent basketball. Sampras beaten, page 29

THE INDEPENDENT CROSSWORD

No. 2993, Wednesday 22 May

By Aquila

Tuesday's Solution



- ACROSS**
- Means of keeping The Downs clean (5-3)
 - Puzzle for fellows in pain (6)
 - Lid for baked beans? (4)
 - Strange male intent, brought about inevitably in it (10)
 - Dash out of rehearsal and transfix with sword (3,7)
 - Game at Twickenham to the French standard? (4)
 - Availing oneself of university first, make notes (5)
 - Clio is one intended, we hear, for fun (9)
 - Turning wheels, once before, to another place (9)
 - Luggage carriages (5)
 - Novel predicament—leaving out Mendelssohn's fourth, *The Italian* (4)
 - Half bend, taking tennis-stroke early (10)
 - Pacify with bizarre opiate trip (10)
 - Spout cockney's cab, say? (4)
 - Oppressor and martyr antagonized within (6)
 - Plunged into water (putting sulphur first) and boiled (8)
- DOWN**
- Broadcasting connections riding in traps (4-3)
 - Sixteen, roughly, going to church? Not much of a living (8)
 - Poet's boring run in expensive surroundings (5)
 - Show fresh standards in a story of war, reportedly (3,4,5)
 - Spoils opening of Blackpool illuminations (6)
 - Bone of bird buried in France (5)
 - An oil distributed between ends of Lincoln, for example (7)
 - Mad creature, to get boudoir and run frantically (5,4)
 - Member in early reform is a bloodsucker (7)
 - Home of retired soldiers supporting tradition (7)
 - Last character to leave pirate town in reparation? (7)
 - Brain-wave in a letter (5)
 - Old cold rubarb (5)

Breakaway of major clubs is imminent

STEVE BALE

Rugby Union Correspondent

The long-threatened but never quite believed threat of English rugby's major clubs' seceding from their union has suddenly become so imminent that last night a panic-stricken Rugby Football Union president called an emergency meeting of his full committee for Friday in a last-ditch attempt to prevent the breakaway.

Representatives of English Professional Rugby Clubs (Epruc), the clubs' umbrella body, have been invited to attend. Bill Bishop's highly unusual move is all that is left after the failure of his strategy, as independent chairman of the protracted discussions between the clubs and the union's negotiating team, to facilitate a settlement.

Epruc has finally come to the conclusion that, however good Bishop's intentions, there will never be agreement as long as Cliff Brittle, the implacable chairman of the RFU executive, heads the union's side of the talks. As recently as last Friday Epruc believed it was on the verge of settling and had even reached the point of drawing up heads of agreement about who controls professional rugby and receives the finance it generates. The clubs want more of both.

But the prospective deal was blocked and one last meeting was scheduled for this Friday, when instead Epruc will make a presentation to the RFU committee. Last week, the 20 First and Second Division clubs who make up Epruc had agreed to support the RFU-backed Eu-

ropean Cup next season instead of its own alternative, and to fulfil a home-and-away domestic league programme which would circumvent its proposed Anglo-Welsh competition.

Epruc even appears to have been reluctantly willing to accommodate the RFU's pre-Christmas divisional matches, if only for the time being. But Brittle, fortified by the insistence of his supporters among the counties that there be no concessions on pain of an excruciating third special general meeting, was not prepared to deal.

No matter what the RFU committee - let alone the executive, on which Brittle has next to no support - may feel, the incontrovertible fact is that he was elected by an overwhelming majority at the first of the three special meetings in preference to the union's own nominee and considers his mandate to come from a constituency of 2,000 and not 20.

This is what has dissuaded either the executive or the full committee from moving against Brittle, because the next step then would be another special meeting at which he would be massively re-endorsed by those untouched by professionalism. As it is, he is the only candidate standing for the executive committee chairmanship at the RFU annual meeting in July.

Bishop's latest move came in response to a letter from Donald Kerr, the chairman of Epruc and the new Harlequin FC limited company, informing him that they "had come to the end of the line" and that member clubs were being recommended to leave the RFU. "At

a crisis time like this, all the members of the Rugby Union should hear all the facts and come to a decision, because if anything did go badly wrong, might not be forgiven if I had not given people the opportunity to have their say," the president said.

Originally Bishop wanted a meeting of the executive on Friday and this became the full committee only when he was informed that the right to call executive meetings belonged to Brittle alone. Alas for the president, the most illustrious clubs in England have now lost faith in his capacity to deliver, having initially believed when he was appointed independent chairman that the committee was effectively authorising him to override Brittle. Even the support for the RFU of Richmond - the club of Tony Hallett, the union's secretary - has wavered since they were promoted to the Second Division.

It is now six weeks since Epruc announced the clubs' intention to boycott next season's RFU cup and league competitions, and withdrawal from the union itself was always the next option. "Negotiations have dragged on and on and we feel we have to bring matters to a conclusion," Kerr said. "We need to know where we stand for next season." They already know they have the support of the First Division players in the event of a schism and, crucially, have already established a working relationship with clubs in other countries where the English RFU is more unpopular than it has been in a century.

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